



# Minnesota State Demographic Center

## Presentation to Dakota County Board of Commissioners, Community Services Committee of the Whole

**Andi Egbert, Assistant Director, MN State Demographic Center**

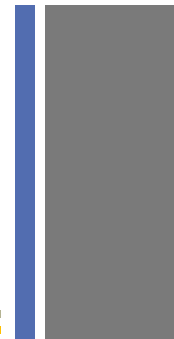
**January 13, 2015**

Website: [mn.gov/demography](http://mn.gov/demography) | Twitter: @MN\_StateData

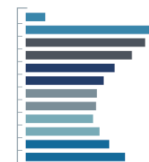


# What is the role of the MN State Demographic Center?

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- Serve as a liaison to the Census Bureau and assist with the decennial census counts
- Create MN population estimates and projections
- Analyze, interpret and distribute data from the state, U.S. Census Bureau and other sources
- Offer data and technical assistance to legislators, all levels of government, organizations and citizens across the state
- Monitor trends and help MN to make data-informed decisions





+ 3 { Aging Trends  
Labor Force Concerns  
Migration Patterns

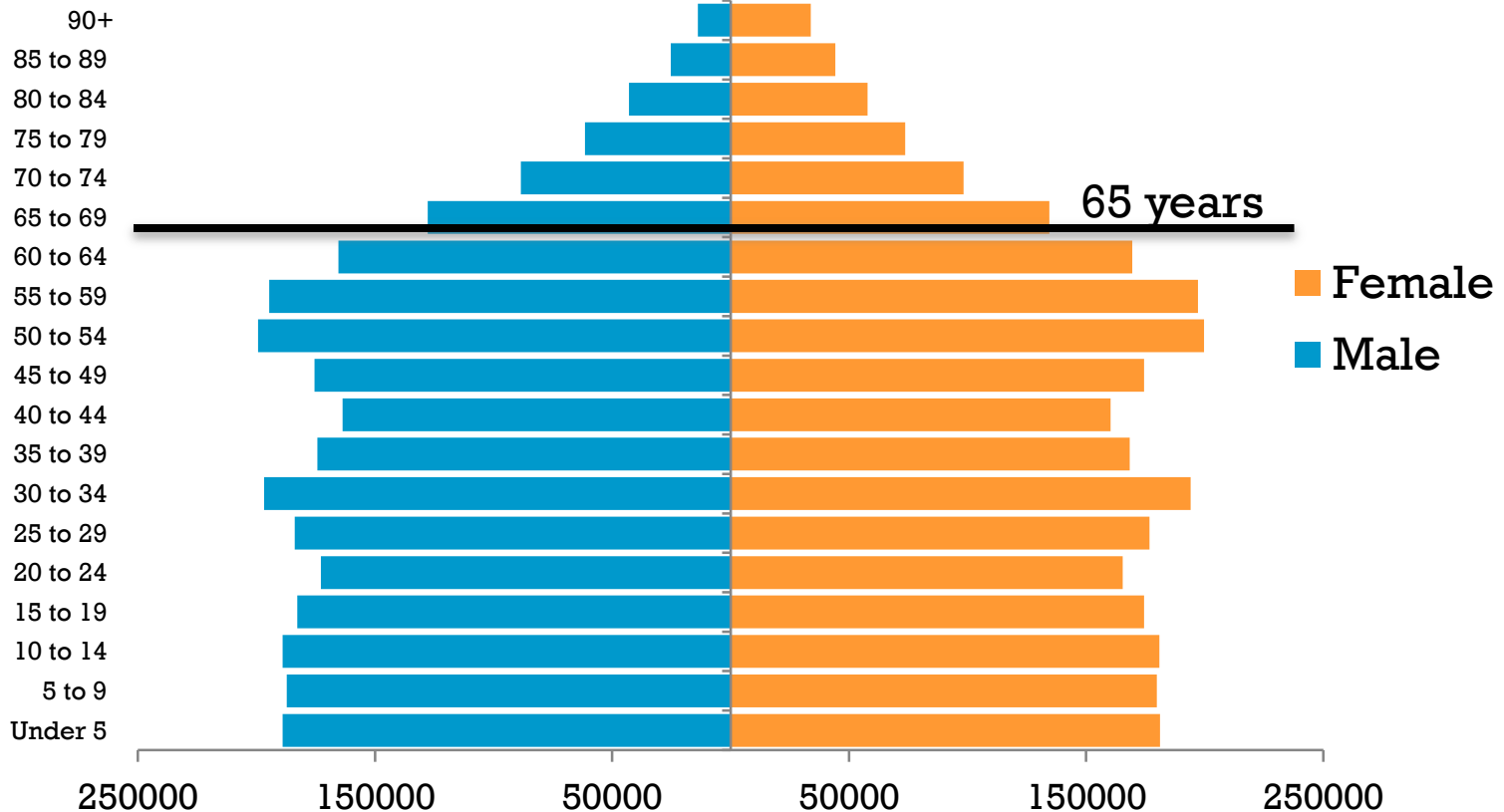
Major trends for Minnesota

# Aging trends



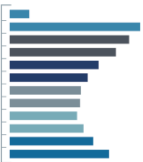
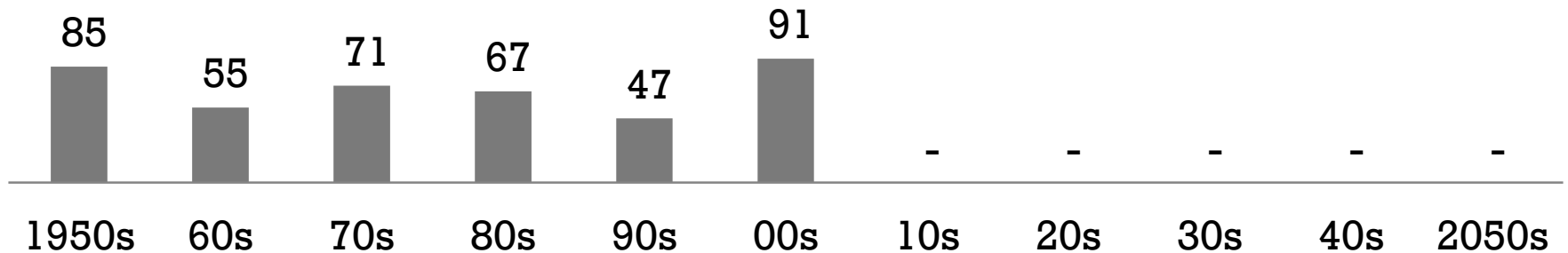
# + What Minnesota looks like... this year

## MN population by age and sex, 2015



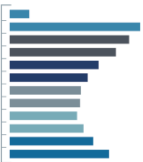
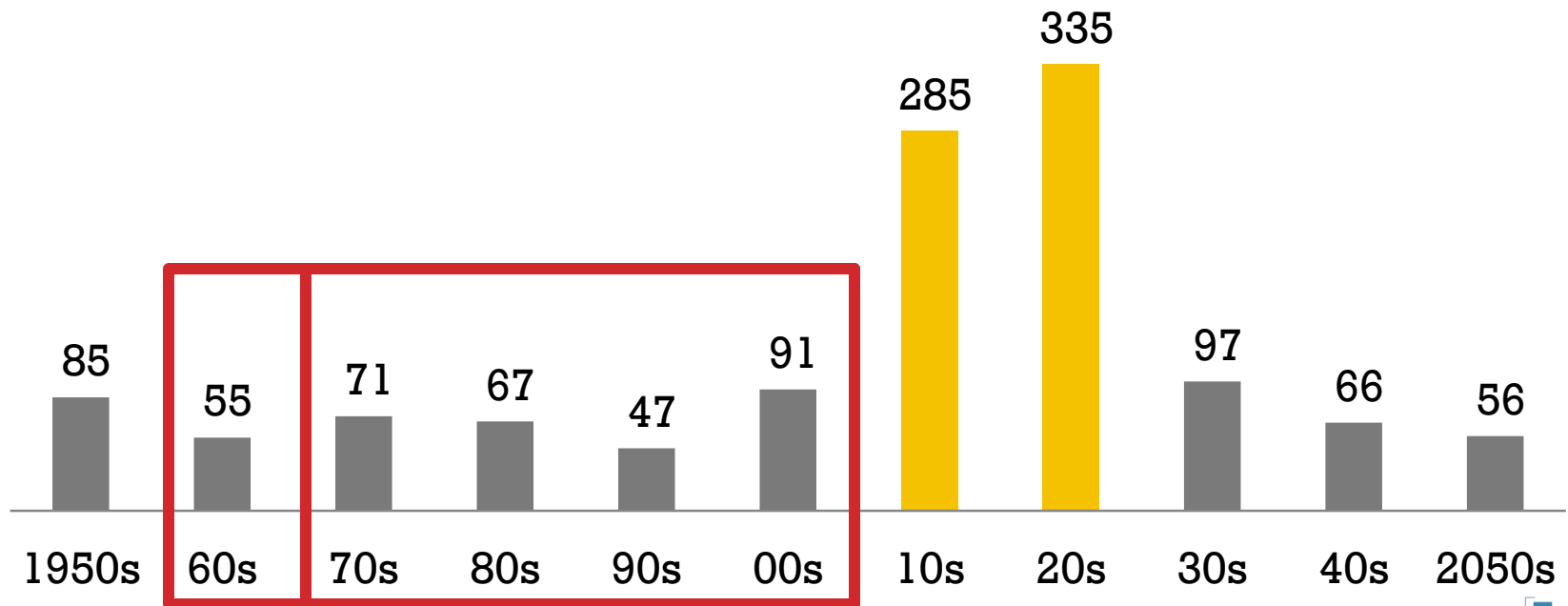
# + How many additional “older adults” will we gain during this decade?

**Change in older adults, age 65+ (Thousands)**



# + This decade and next: *Unprecedented* increases in MN's 65+ population

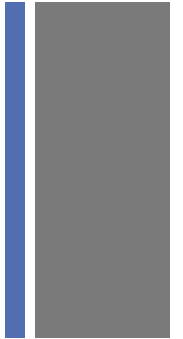
**Change in older adults, age 65+ (in thousands)**





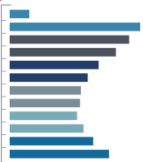
## QUIZ QUESTION:

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What event is predicted to happen in 2020 that has never before happened in the history of our state?

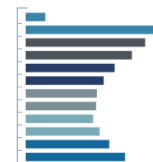
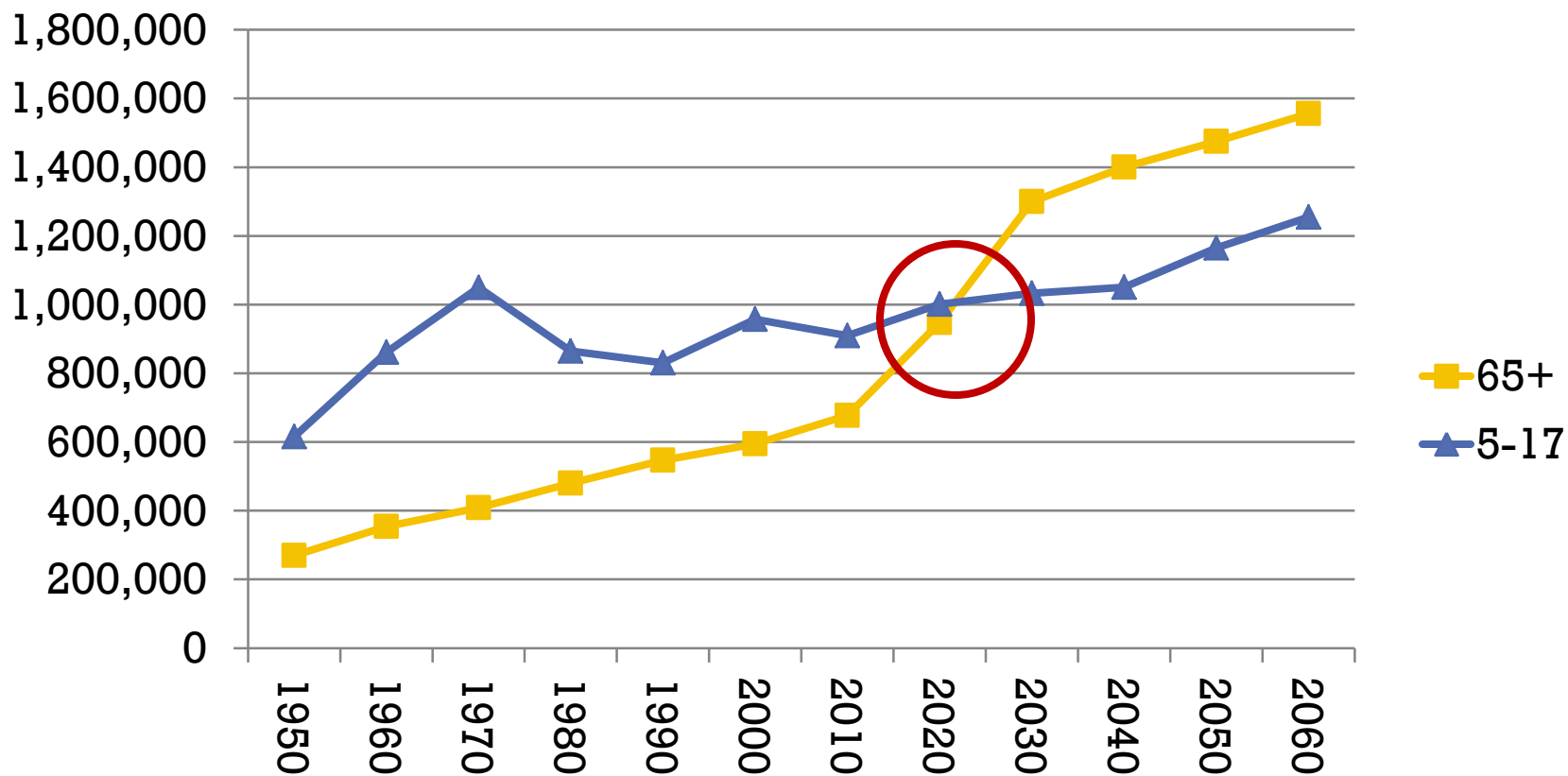
- A. The Vikings will win the Super Bowl
- B. MN will have more immigrants than U.S.-born residents
- C. MN will have more 65+ residents than school-age children, 5-17





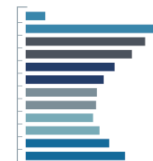
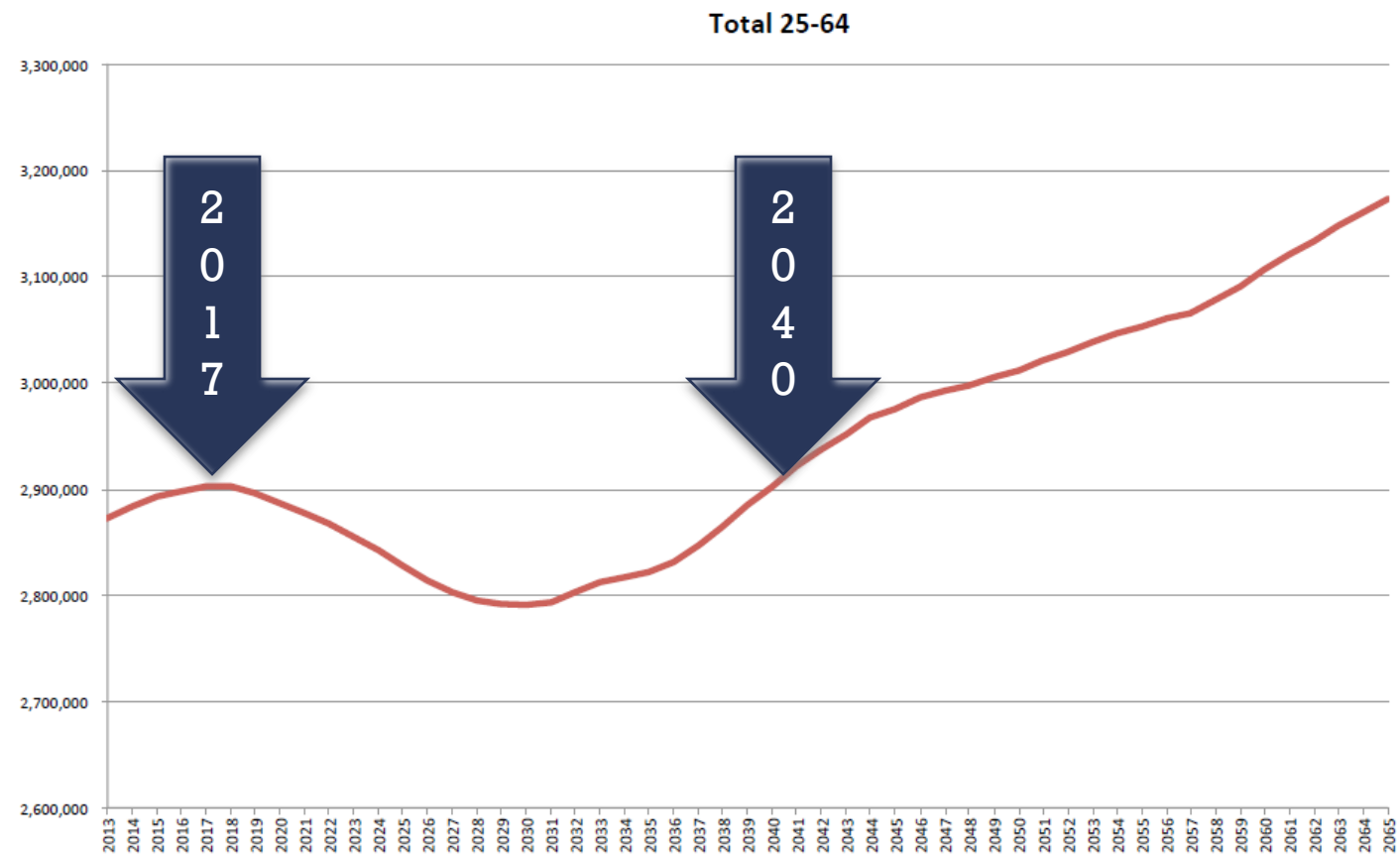


# For the first time in MN history: More 65+ than school-age by 2020



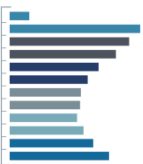
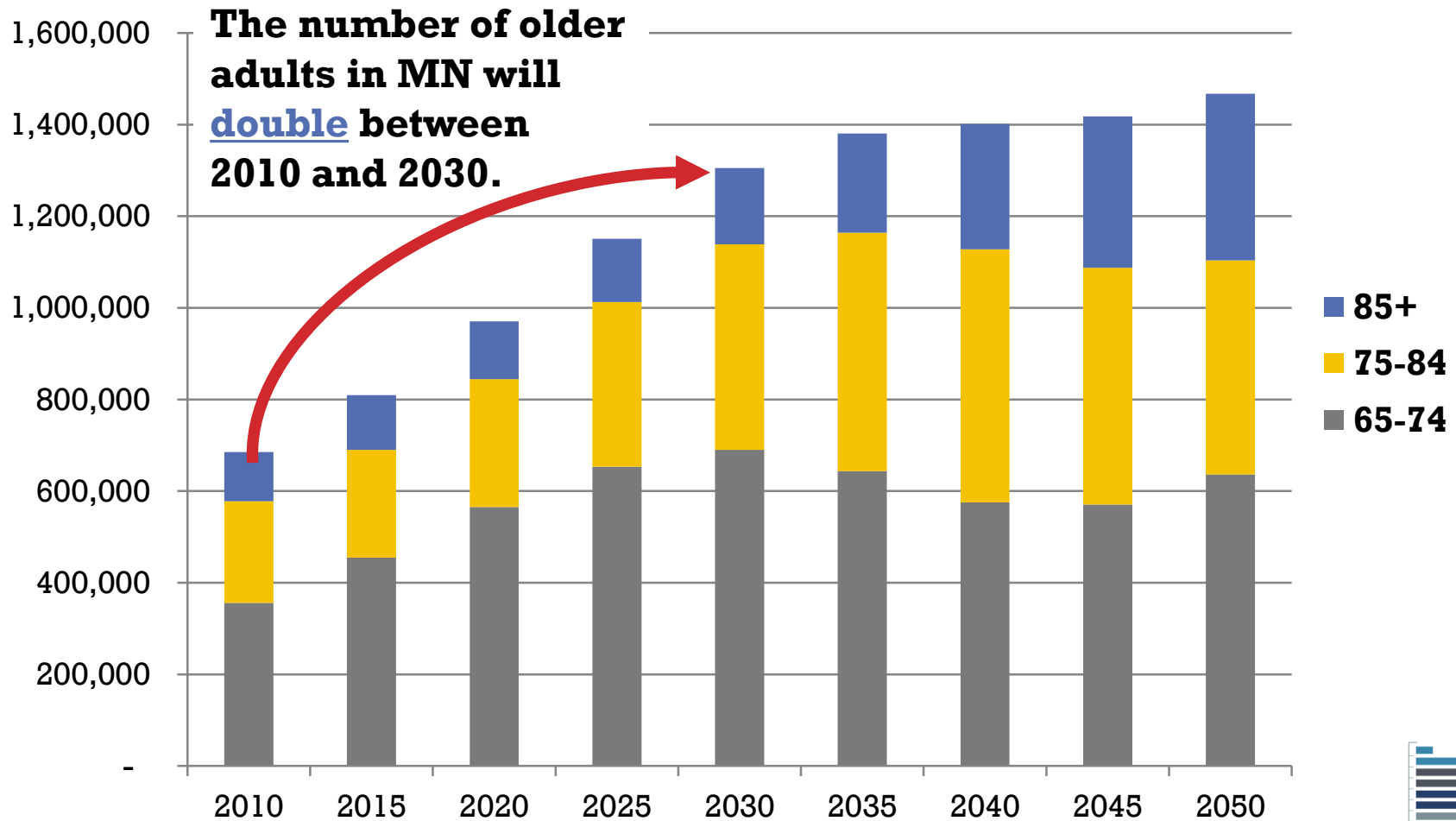


# Total 25- to 64-year-olds in MN will dip by about 100,000 individuals



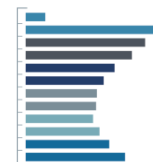
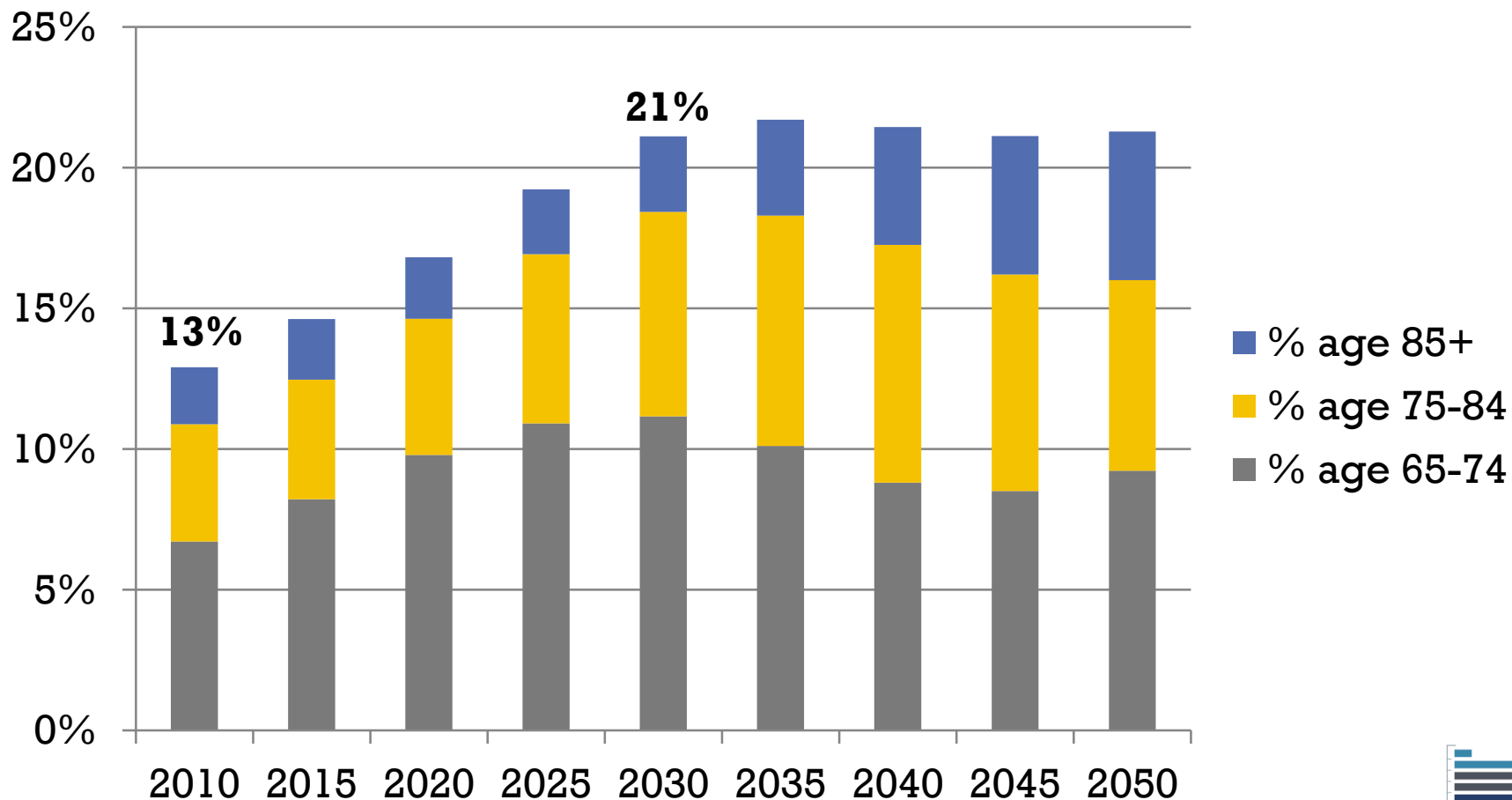


# Older adults in Minnesota by age cohort, 2010-2050





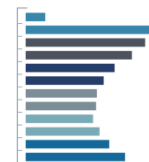
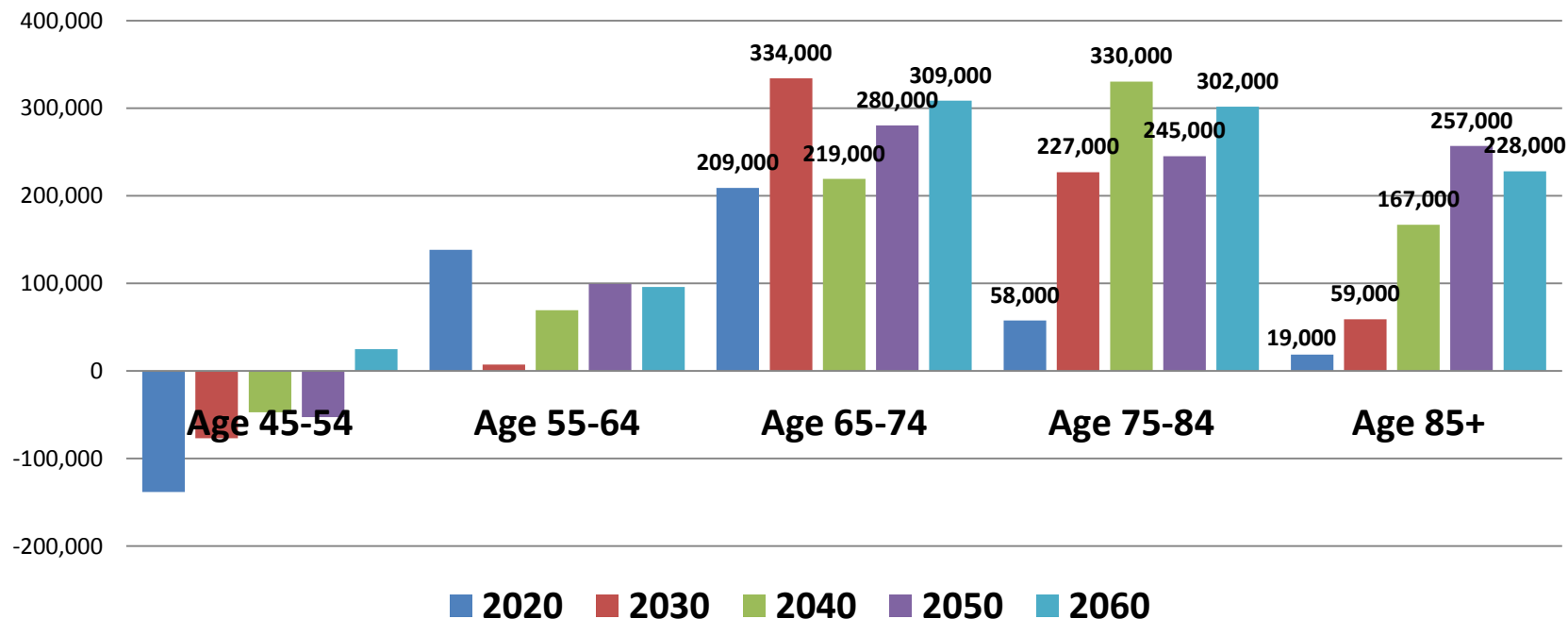
# By 2030, more than 1 in 5 Minnesotans will be 65+, including all Baby Boomers





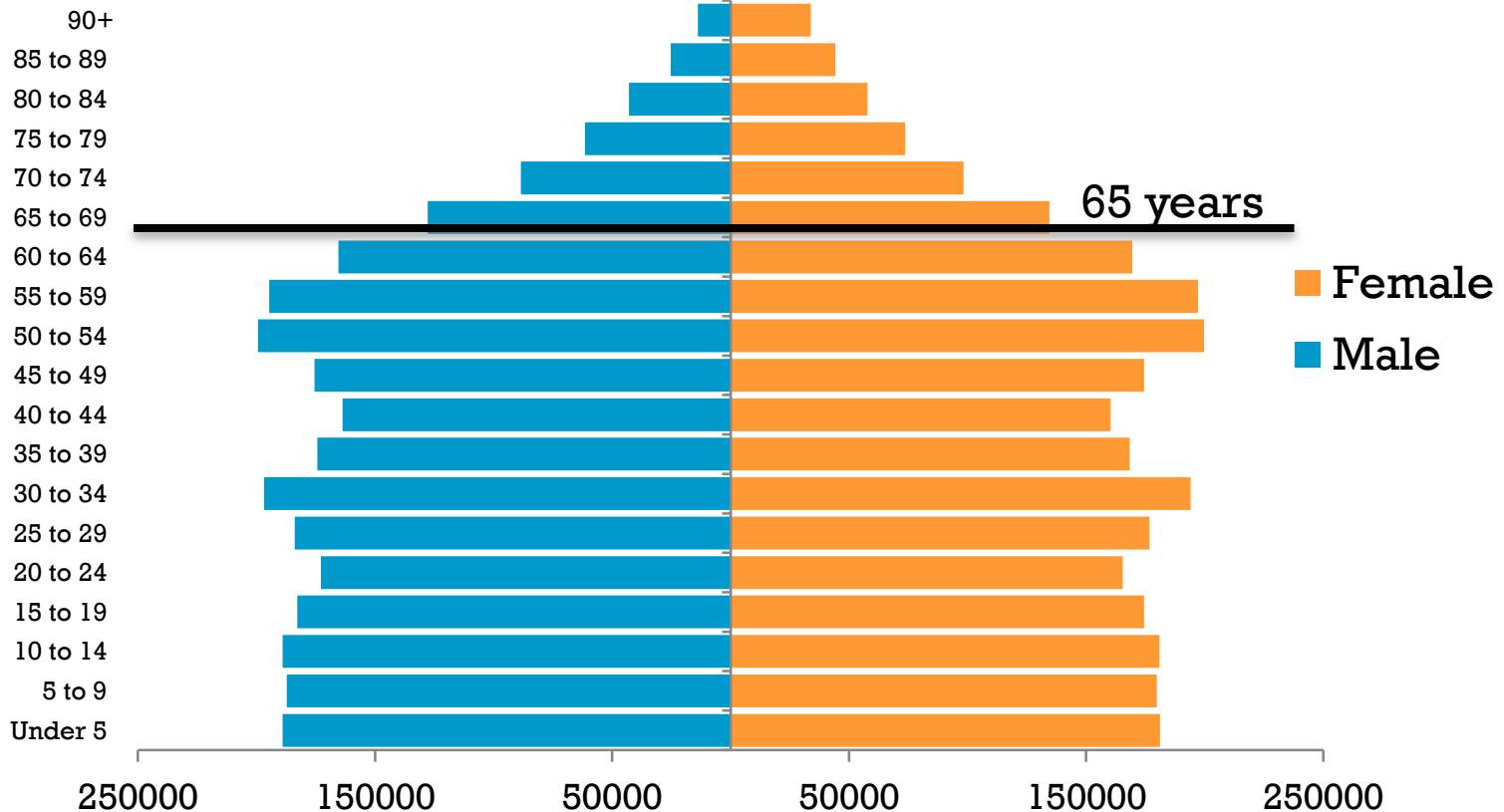
# The coming decades will see dramatic growth in older cohorts

Expected numeric change in people by age cohorts,  
between 2010 and given year, Minnesota



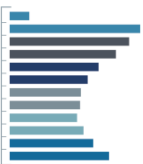
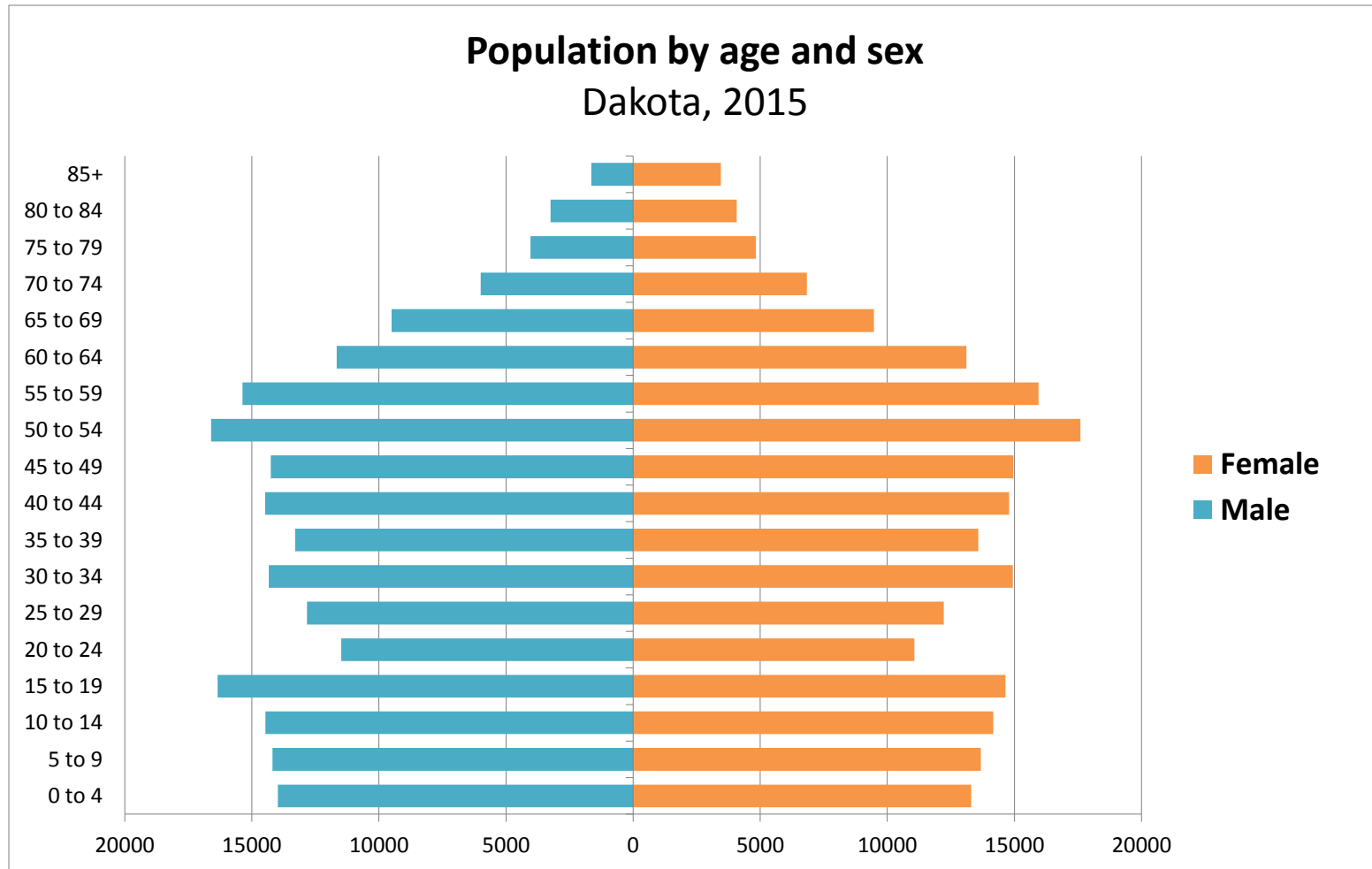
# + What Minnesota looks like... this year

## MN population by age and sex, 2015



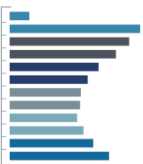
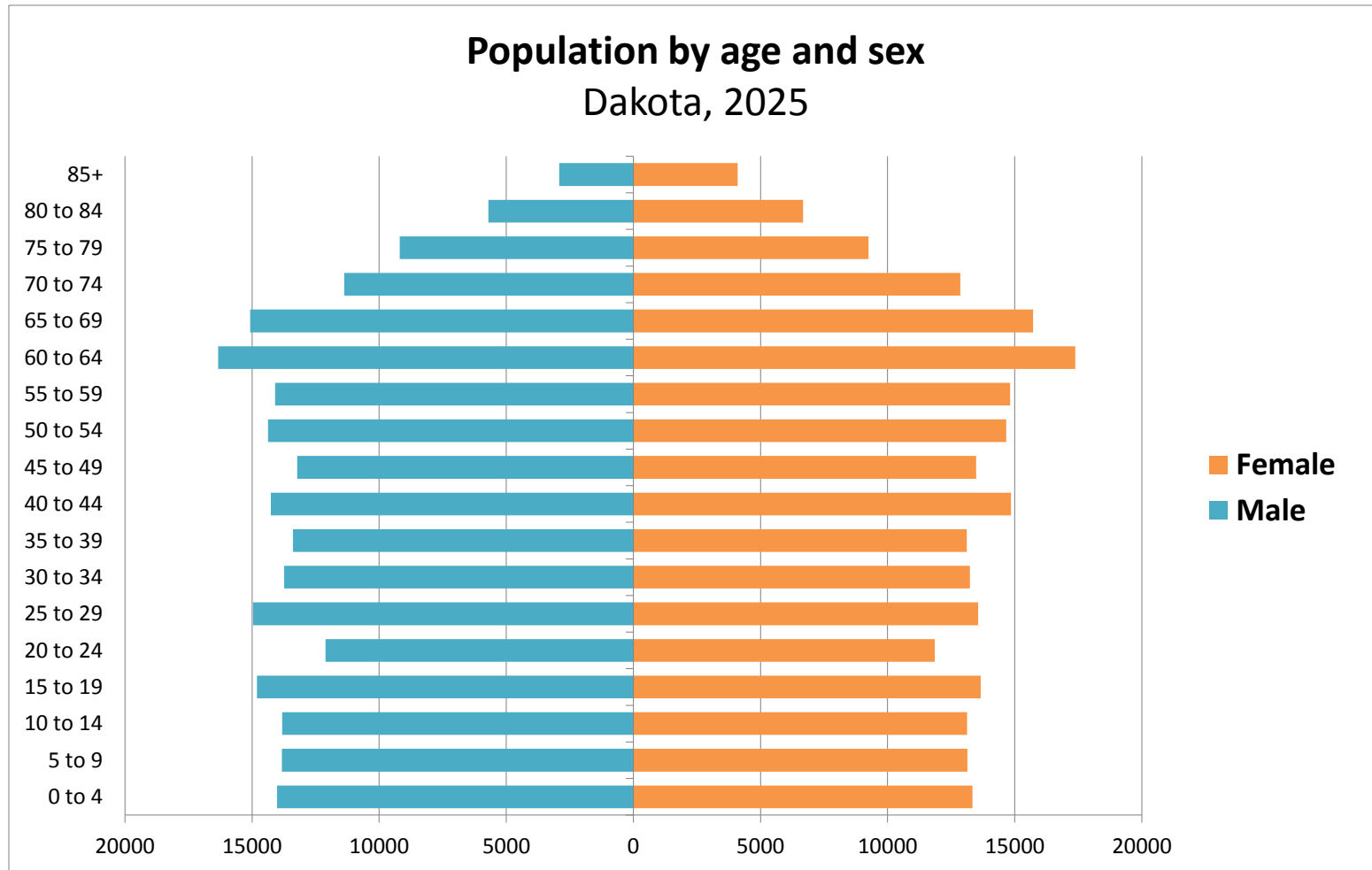


# What Dakota County looks like... this year





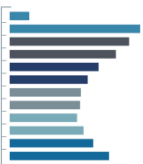
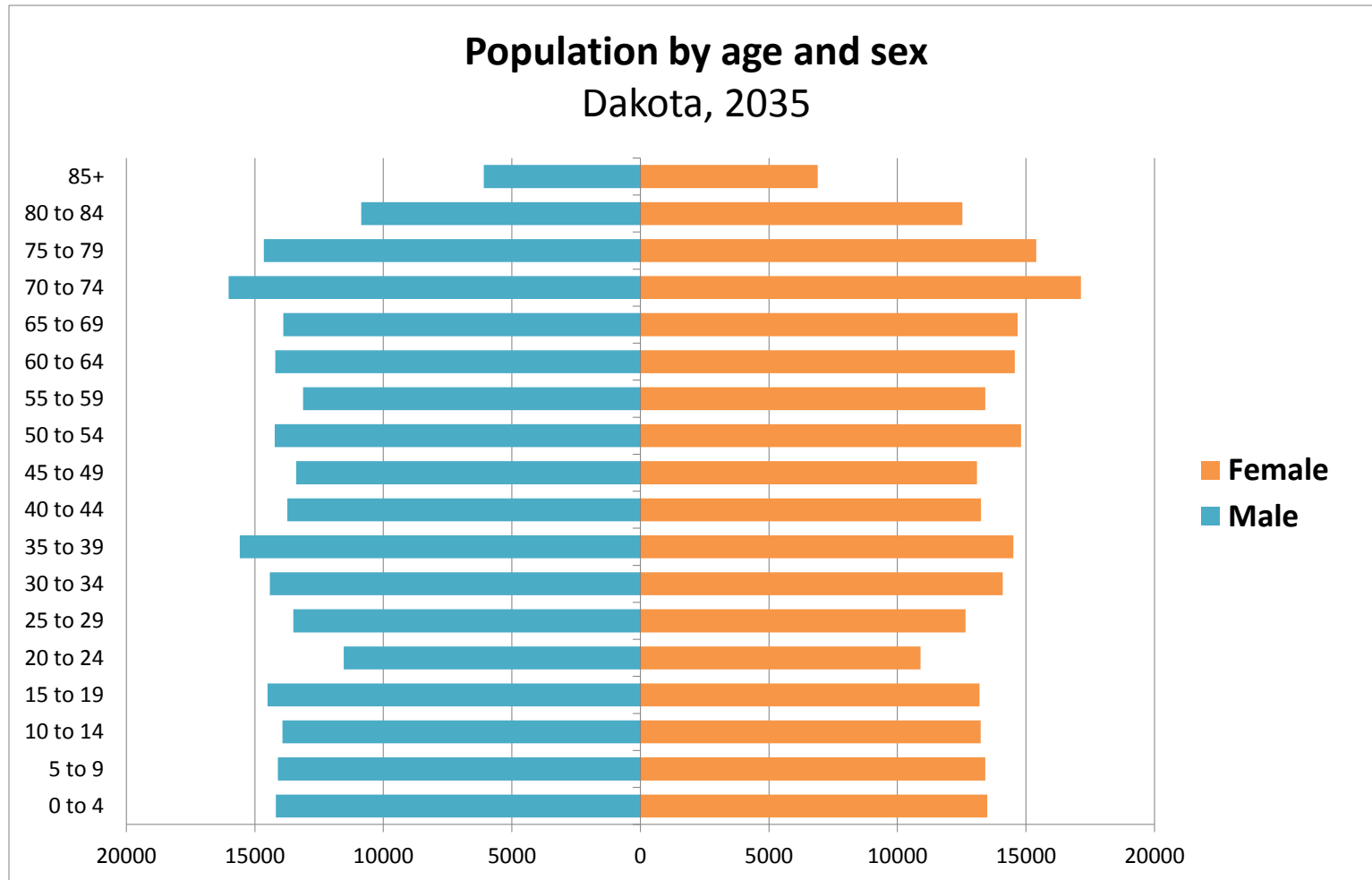
# What Dakota County will look like... in 10 years





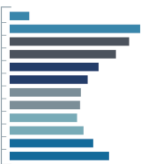
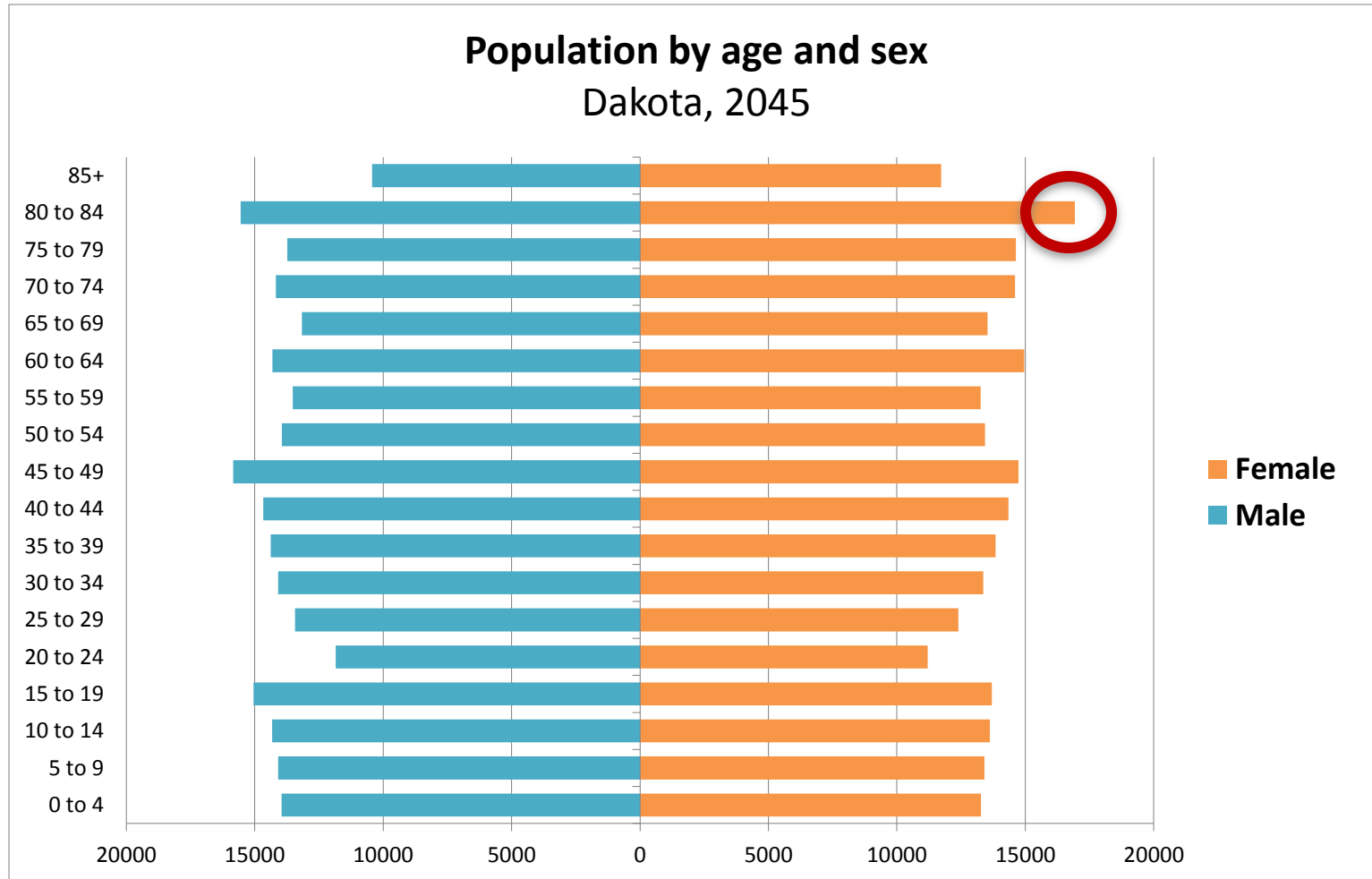


# What Dakota County will look like... in 20 years



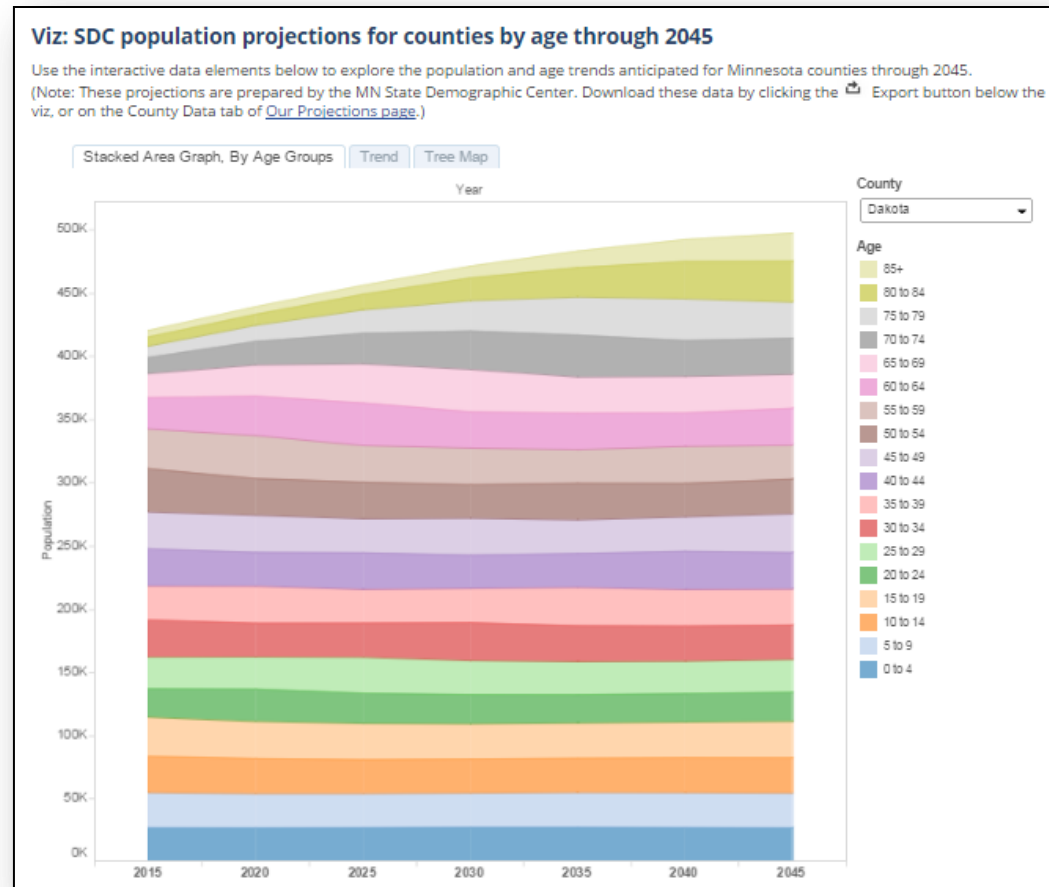


# What Dakota County will look like... in 30 years

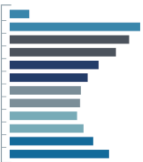




# Coming growth of Dakota County mostly at top of the age spectrum

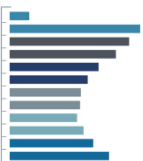
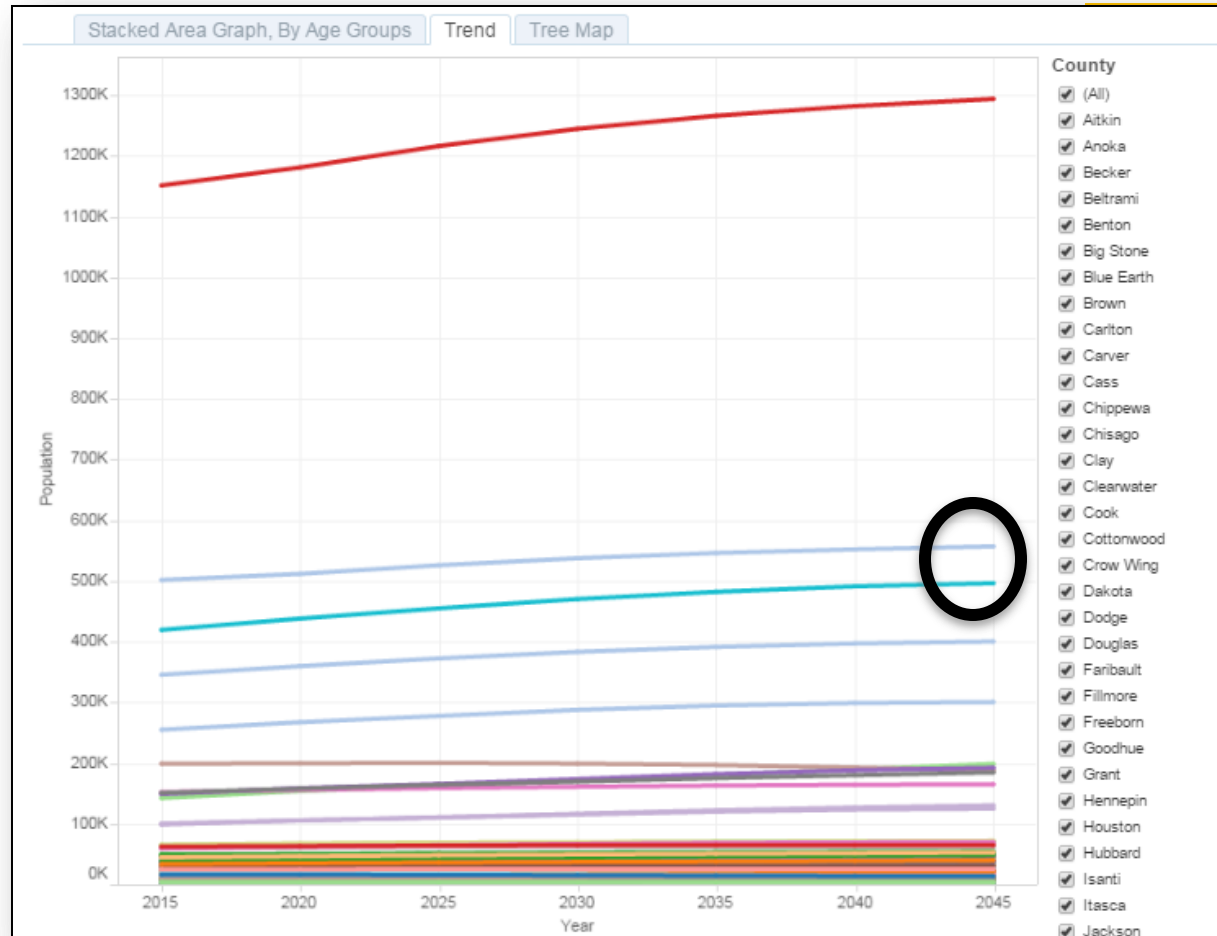


<http://mn.gov/admin/demography/map-viz-gallery/viz-co-pop-projections.jsp>





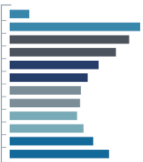
# Dakota County (3<sup>rd</sup> largest) to narrow gap with Ramsey (2<sup>nd</sup> largest) by 2045





# Aging: not what it used to be...

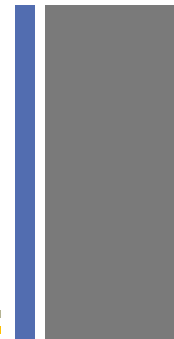
- Minnesota's older adults are healthier, living longer, and working longer than prior generations
  - Life expectancy for Minnesotans age 65 now is 20.1 more years (15.6 years in good health)
  - Variations across racial, educational, other groups
  - Minnesota's Boomers and older adults volunteer in record numbers



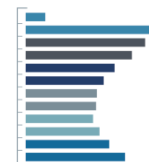


# Challenges related to our aging population

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- Will we have the workers to form a strong, skilled, highly **productive labor force** as the Boomers retire — for economic growth, tax revenues for needed services, and maintaining a high quality of life in MN?
- Will we have or create sufficient **infrastructure** for more transportation, caregiving, health care, and social support needs, as **health challenges and disabilities increase**, especially when children live far away?
- Will we be able to **finance needed services**, especially long-term care? Private and public medical expenses will increase considerably.

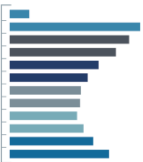
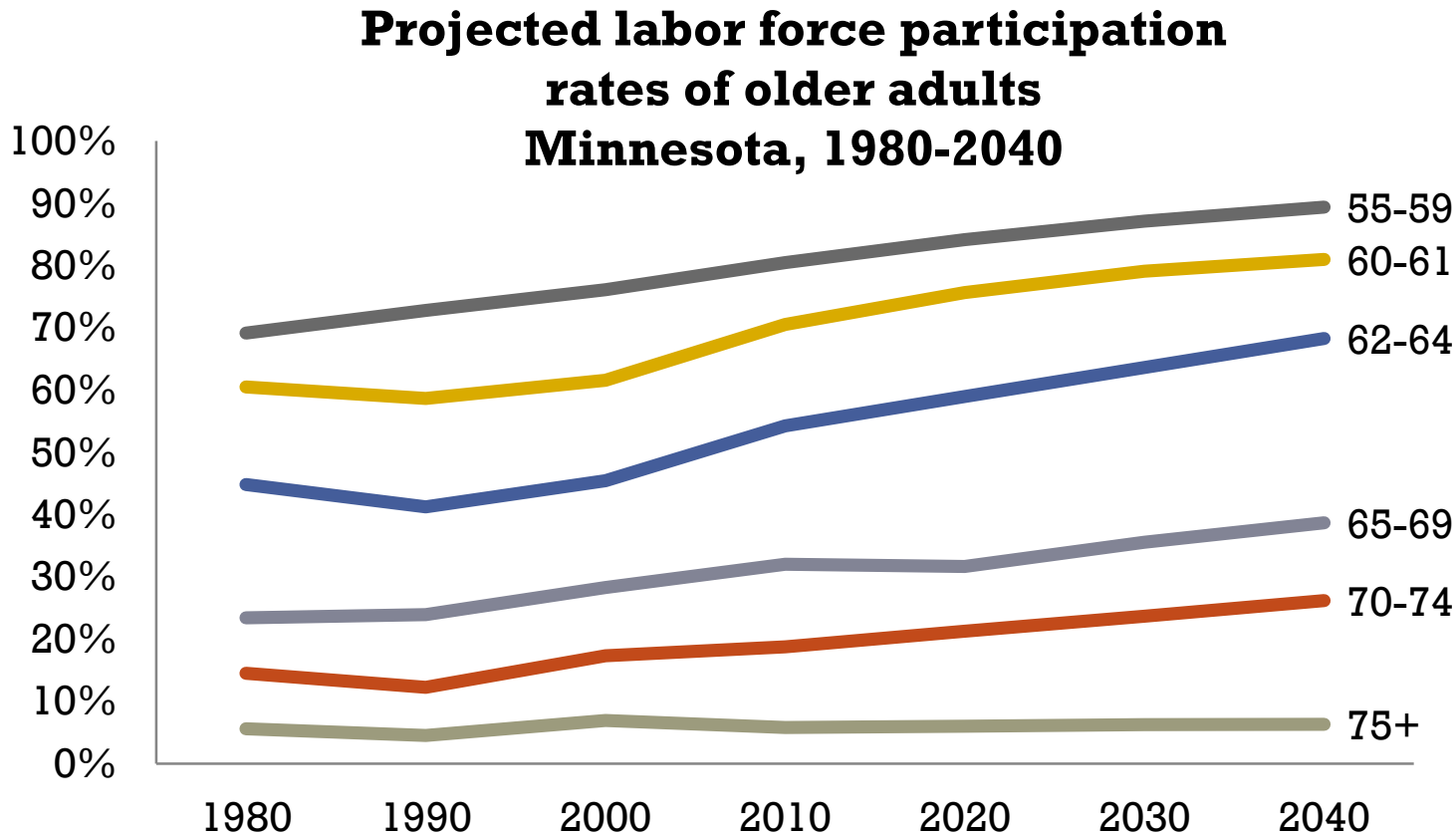




**Labor force trends**



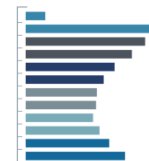
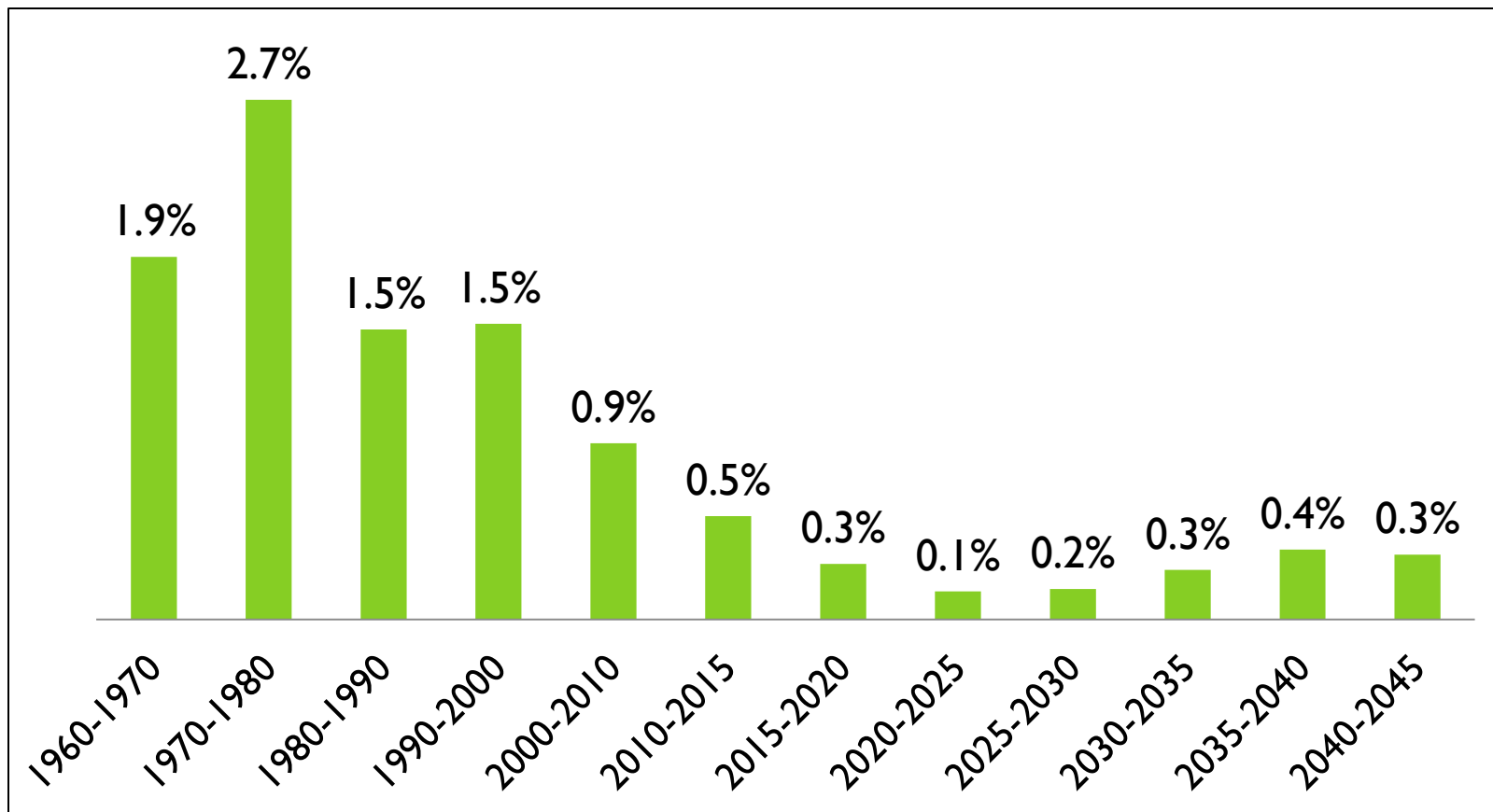
# Older adults projected to remain in the labor force longer than before





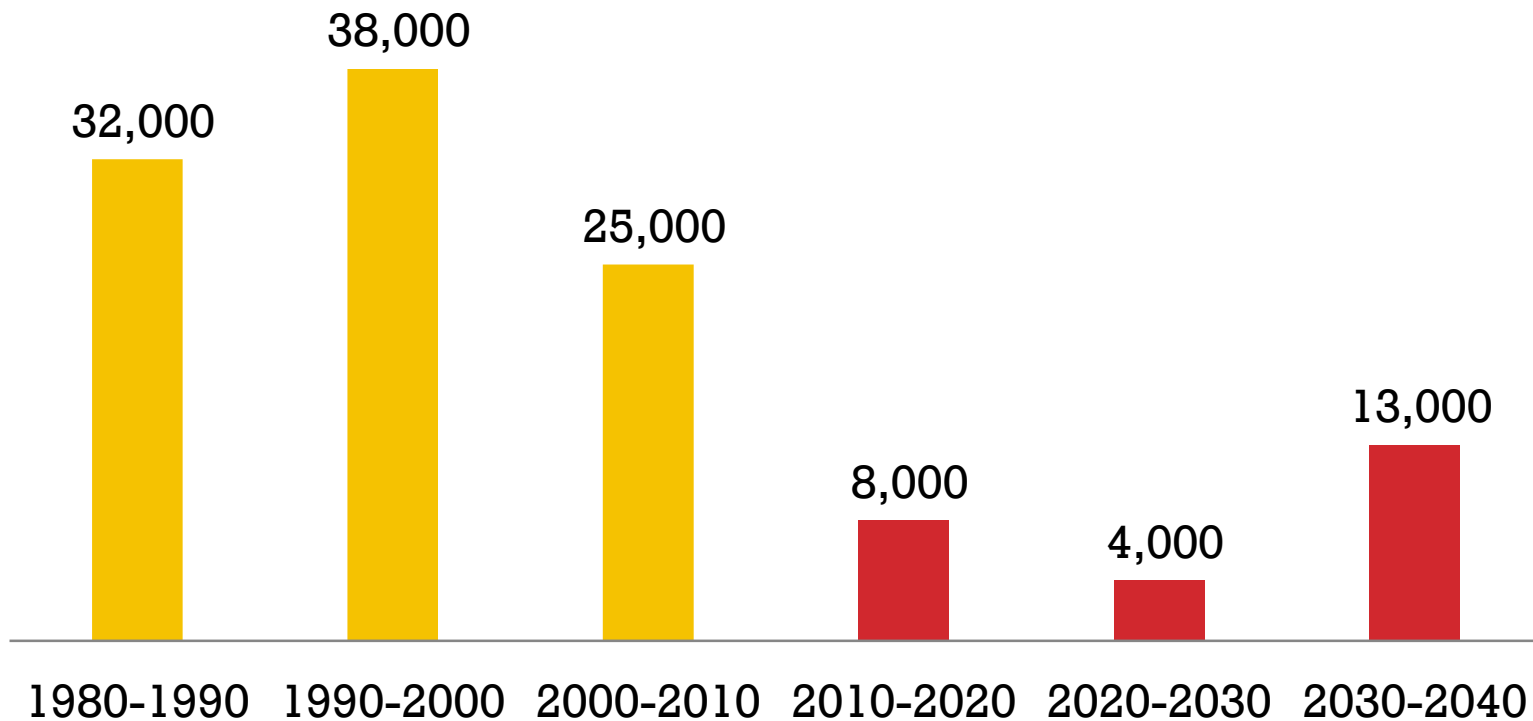


# Labor force growth will continue to slow considerably

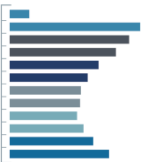




# Projected growth in MN labor force (Annual average, ages 16+)

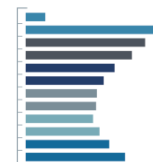
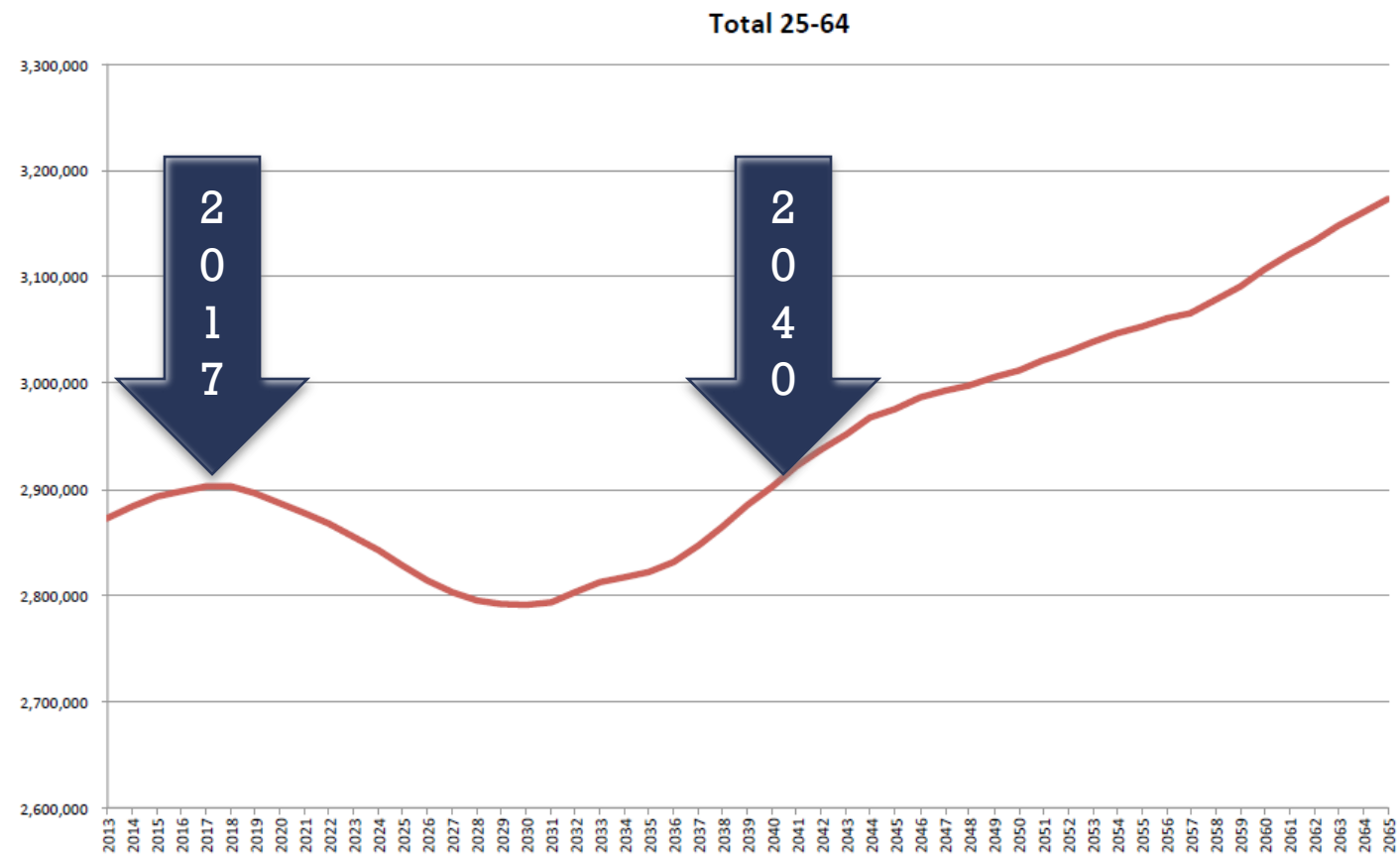


Source: U.S. Census Bureau, Minnesota State Demographic Center Projections





# Total 25- to 64-year-olds in MN will dip by about 100,000 individuals





The ratio of retirees to workers has never come as close as it will

**2010**

**1 retiree**

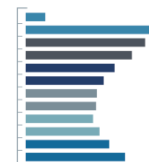
**5 workers**

**2030**

**1 retiree**

**3 workers**

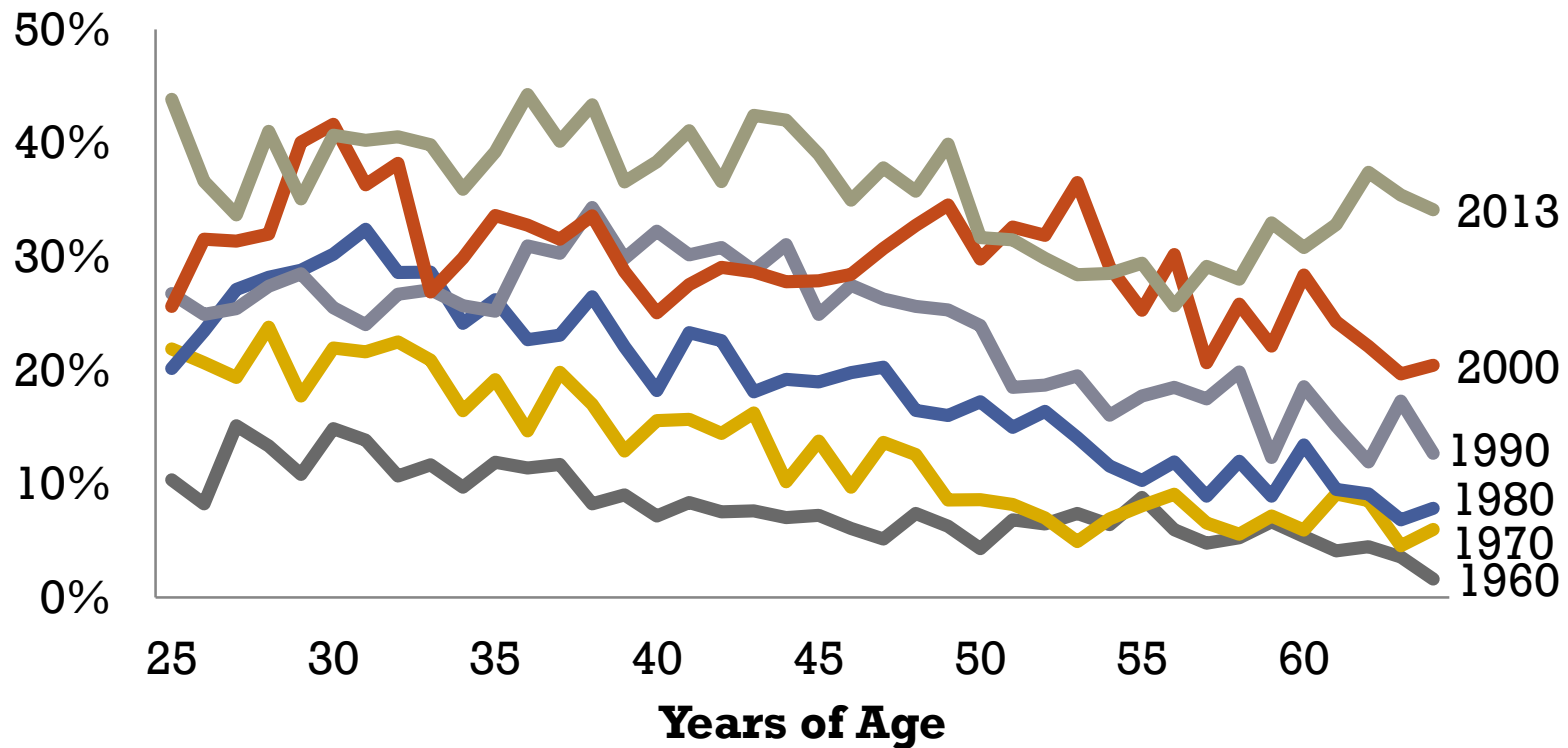
We need to develop, retain, and attract human capital to compete economically



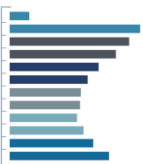




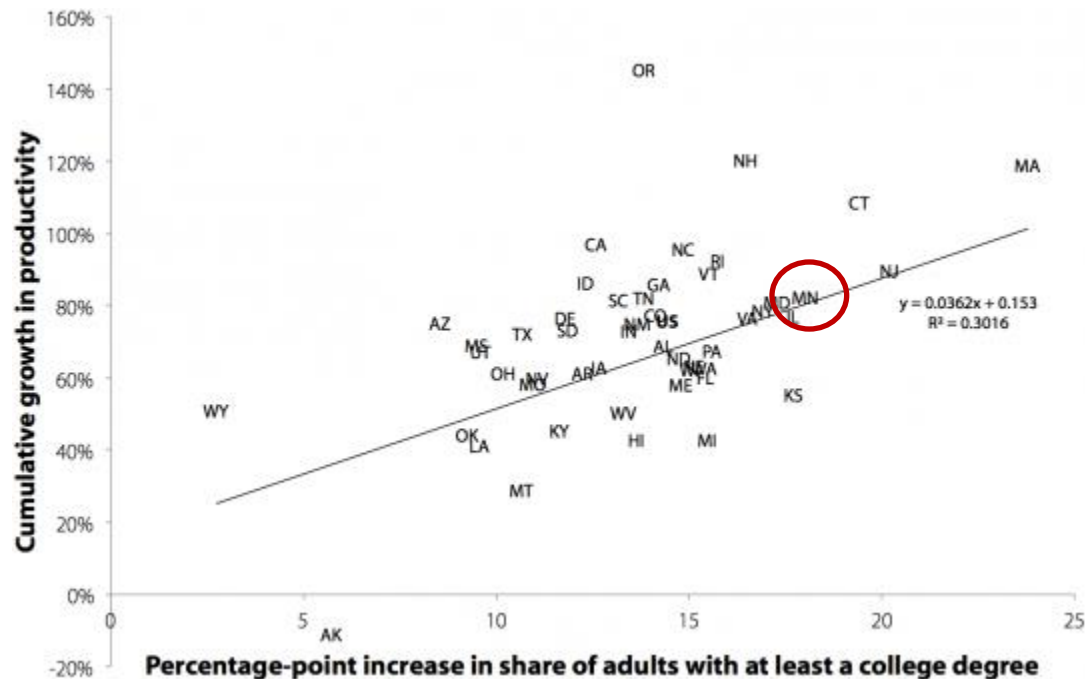
# Share of Minnesotans with 4 years of college or more



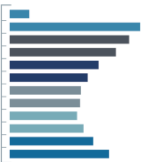
Source: Tabulated by the MN State Demographic Center from the Integrated Public Use Microdata Series



# + Rising educational attainment strongly associated with productivity growth at the state level (1979-2012)



Source: EPI analysis of unpublished total economy productivity data from the Bureau of Labor Statistics (BLS) Labor Productivity and Costs program, state employment data from BLS Local Area Unemployment Statistics, and college attainment data from the Current Population Survey basic monthly microdata.





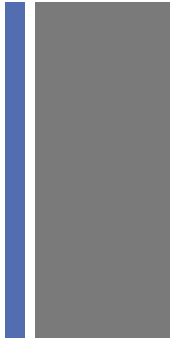
# MN bachelor's degrees yield very different employment outcomes

	Minnesota Bachelor's Degree Awards by Instructional Program	Number of bachelor degree graduates	Annual median earnings of all employed graduates in 2 <sup>nd</sup> year after graduation	Percent working F/T & year-round in 2nd Year	Median earnings of F/T employed in 2nd Year
Well Aligned	Engineering	1,217	\$55,489	69%	\$59,124
	Construction trades	25	\$53,675	76%	\$55,472
	Computer and information science	647	\$51,990	68%	\$56,277
	Health profession	2,577	\$50,021	40%	\$59,646
	Engineering technologies	165	\$47,688	68%	\$51,960
	Business, management, and marketing	6,272	\$38,667	64%	\$45,289
Poorly Aligned	Visual and performing arts	1,562	\$17,833	29%	\$31,039
	Transportation and materials moving	51	\$17,731	35%	\$26,447
	Area, ethnic, cultural, gender, and group studies	168	\$17,540	28%	\$30,300
	History	443	\$16,513	29%	\$34,154
	Theology and religious vocations	337	\$15,741	30%	\$33,185

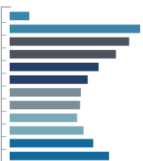




# Alignment of training/education to labor force needs is crucial

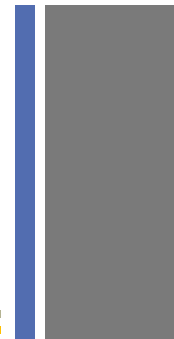


- If wage and employment rates are the outcome of interaction between supply and demand, they tell which fields of study are in demand and which are not
- These data allow individuals and workforce planners to steer into areas with better opportunities
- As college grads exhaust college-appropriate job options, they move down and displace lesser-educated people from their jobs. Thus, less skilled workers are left with fewer opportunities, so remain unemployed or leave the workforce altogether
- Thus ALIGNMENT helps workers of all levels of education/training
- Data for all fields of study are on DEED's website at under Graduate Employment Outcomes tool: <http://mn.gov/deed/data/data-tools/graduate-employment-outcomes/>

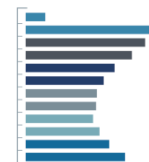




# Job outlook in MN through 2022 (from DEED)



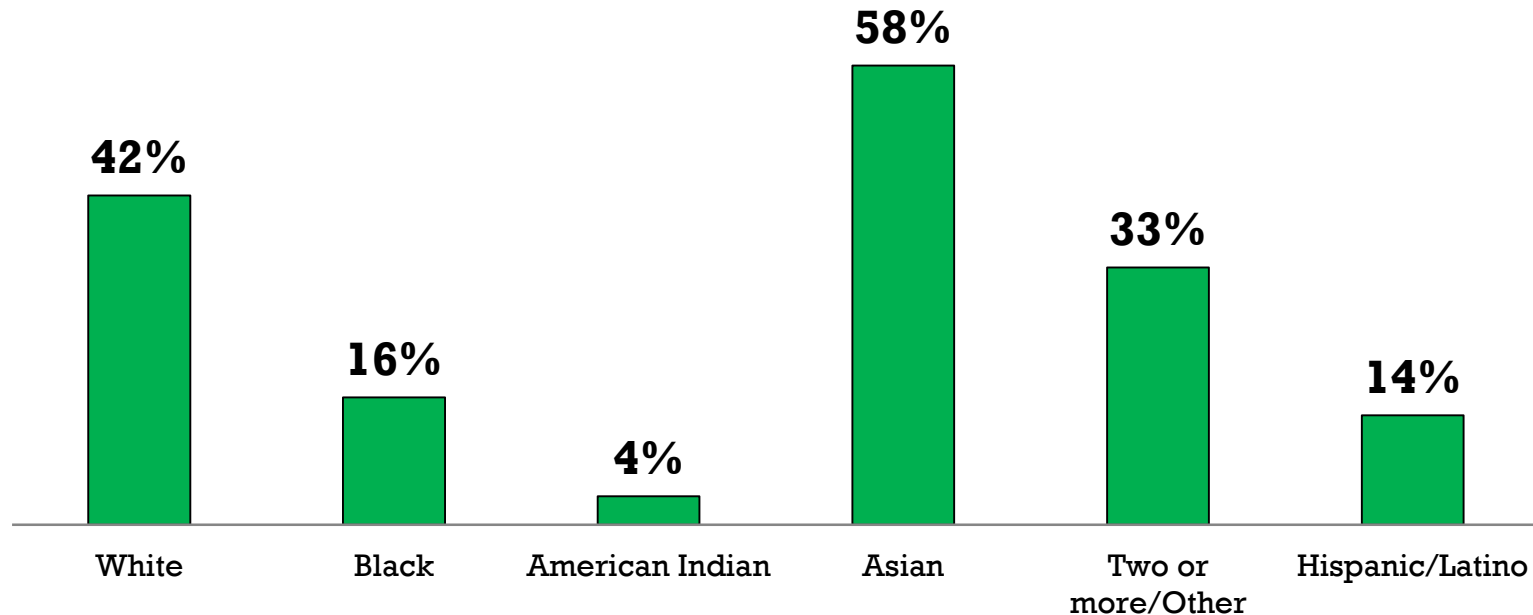
- Total jobs in MN projected to increase by 205,000 between 2012 and 2022. This is **7 times more job growth** than during previous 10 years (2002-2012), when MN added just 29,000 jobs (Great Recession)
  - However, by 2017-2022, labor shortages will limit job expansion in MN
- The two largest major occupational groups in Minnesota — 1) professional & related occupations, and 2) service occupations — will add the most jobs by 2022 (61% of all expected growth)
  - Include many occupations at the *opposite* ends of the educational attainment and earnings range.
  - Occupations adding the most jobs: personal care aides (+ 23,000), home health aides (+ 10,000), registered nurses (+ 9,000), retail salespersons (+ 7,000), food prep workers and servers (+ 5,000)



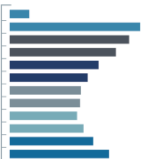


# Wide racial gaps in educational attainment persist in Minnesota

**Percent of young adults (age 25-34) with a B.A. or higher, 2010-2012**

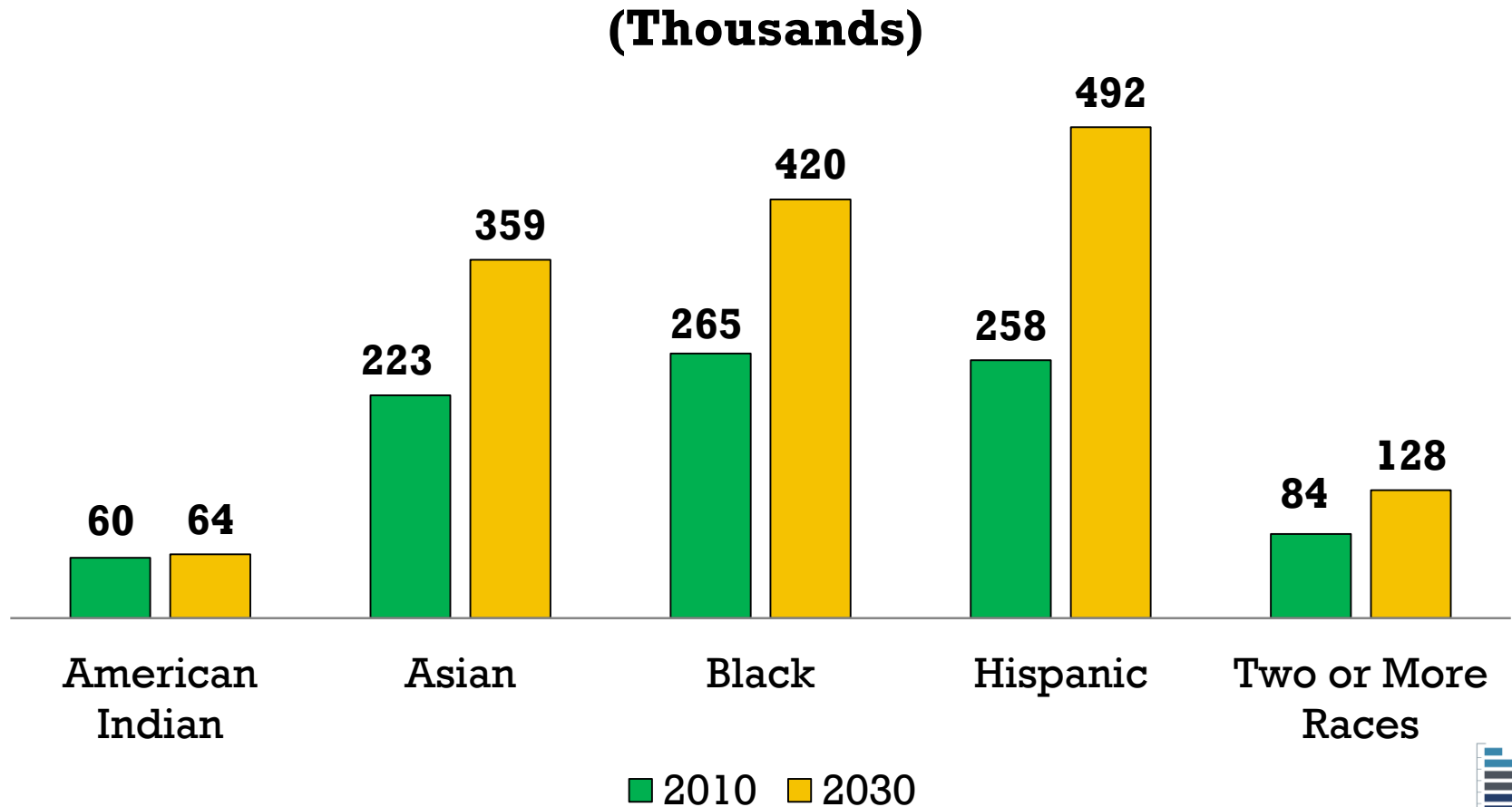


Source: Tabulated by the State Demographic Center from the Integrated Public Use Microdata Series

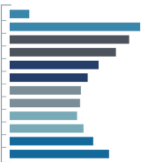




# Largest growth expected among Asian, Black & Hispanic Minnesotans

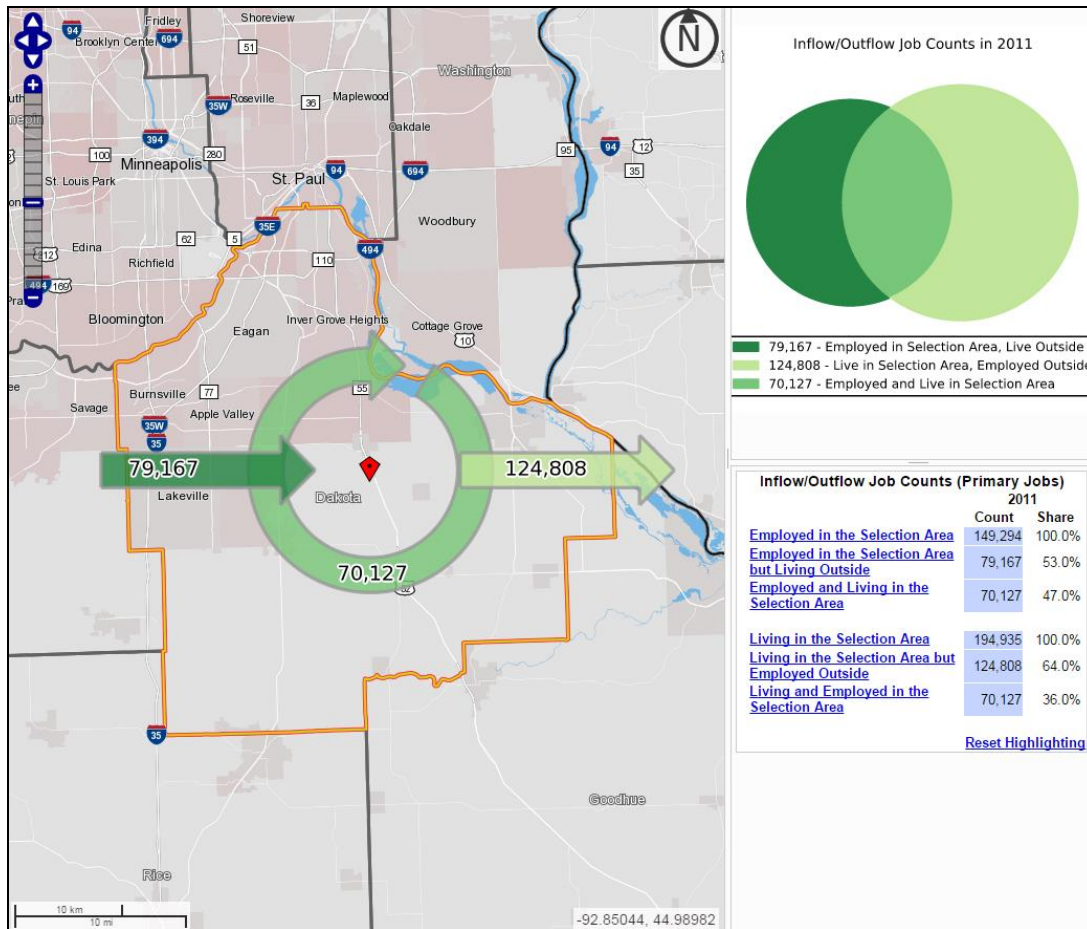


Source: Minnesota State Demographic Center projections.

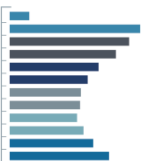


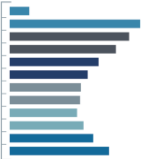


# Dakota County: Local labor market movement (2011)



- About 70K workers both live AND work in Dakota Co.
- About 79K nonresidents ENTER Dakota Co. to go to work
- About 125K residents LEAVE Dakota Co. to go to work
- About 2 out of 3 Dakota Co. residents who are working do so outside Dakota Co. (64% out-county vs. 36% in-county)

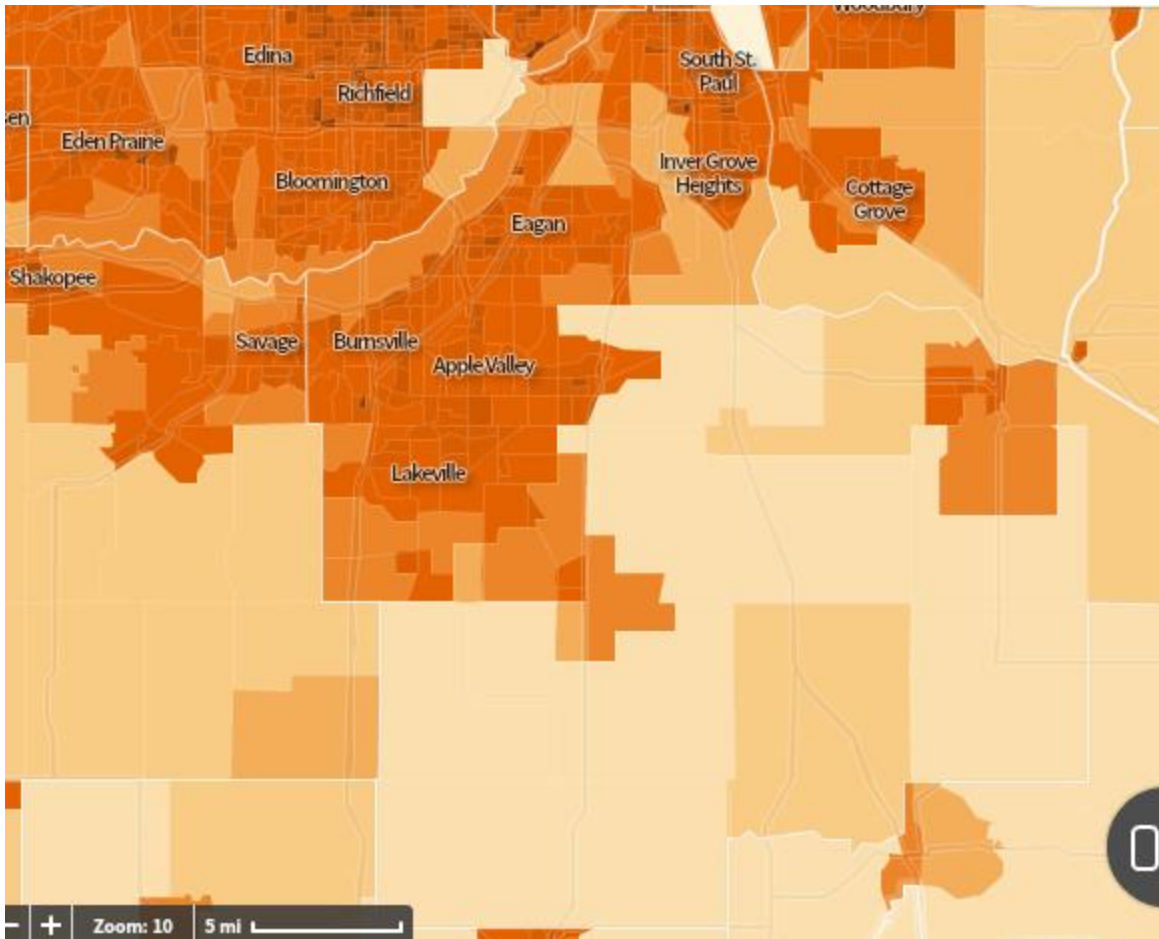




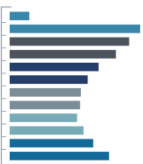
Source: U.S. Census Bureau, OnTheMap. Refers to the entire universe of primary and non-primary jobs, in the case of multiple job holders.



# Not surprisingly, jobs and population density closely align



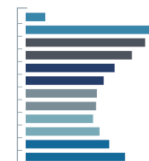
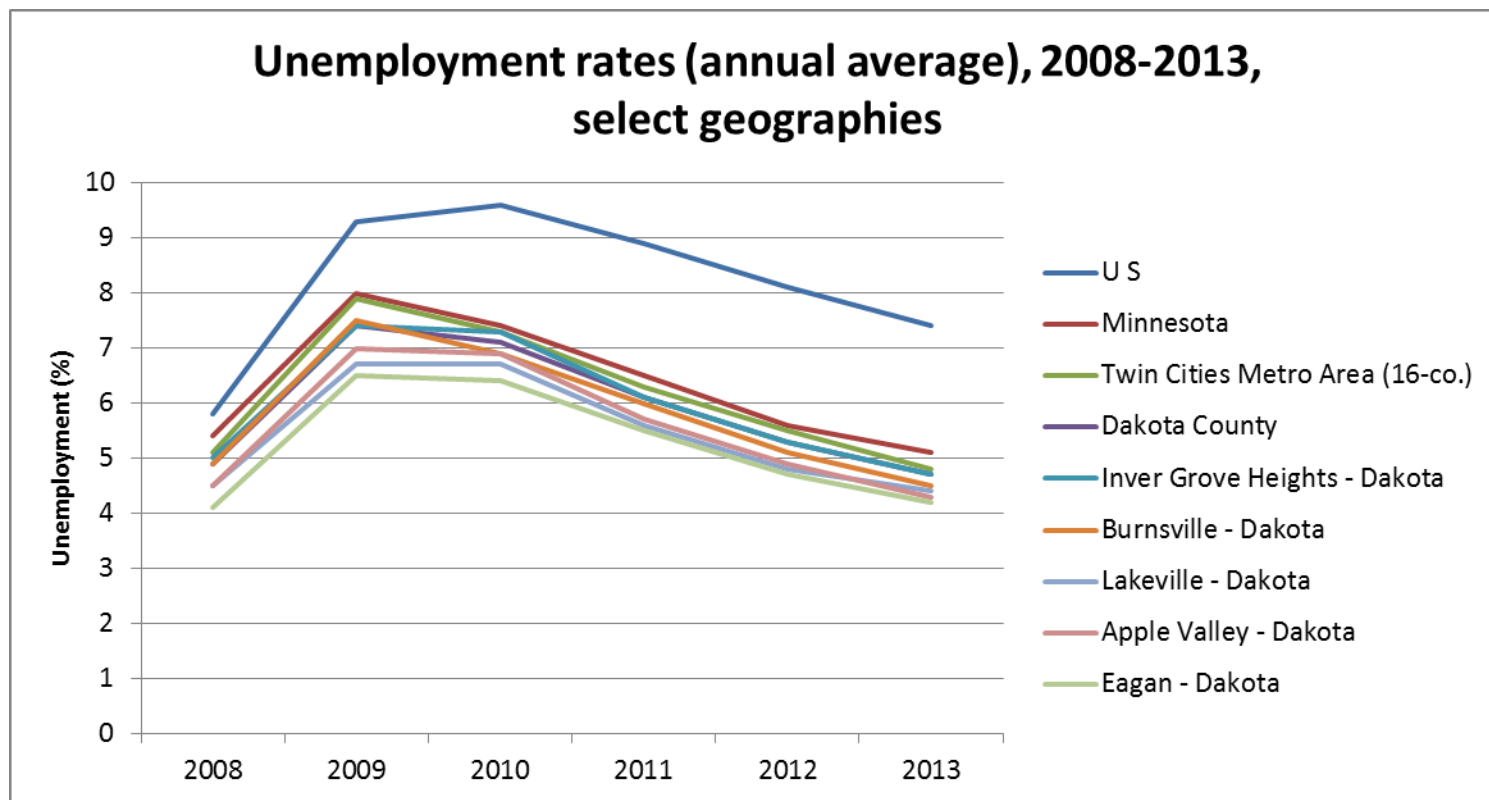
- Population density is greatest in darkest orange areas
- Northwest and north areas of Dakota Co. have highest concentrations of people, jobs







# Unemployment in Dakota County increasingly favorable for workers

















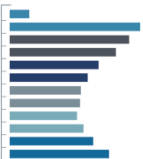


# Latest unemployment figures (Nov. 2014) show continued improvement

## Local Unemployment Statistics for November 2014

More Info	Area - click name for historical data	Labor Force	Labor Force Participation Rate	Employment	Employment to Population Ratio	Unemployment	Unemployment Rate
	<a href="#">U S</a>	156,297,000	62.8%	147,666,000	59.3%	8,630,000	5.5%
	<a href="#">Minnesota</a>	2,989,326	69.9%	2,894,122	67.7%	95,204	3.2%
	<a href="#">U S Seasonally Adjusted</a>	156,397,000	62.8%	147,287,000	59.2%	9,110,000	5.8%
	<a href="#">Minnesota Seasonally Adjusted</a>	2,990,159	69.9%	2,879,734	67.3%	110,425	3.7%
	<a href="#">Dakota County</a>	234,513	NA	227,905	NA	6,608	2.8%
	<a href="#">Apple Valley, Dakota</a>	29,926	NA	29,161	NA	765	2.6%
	<a href="#">Burnsville, Dakota</a>	37,312	NA	36,313	NA	999	2.7%
	<a href="#">Eagan, Dakota</a>	39,177	NA	38,171	NA	1,006	2.6%
	<a href="#">Inver Grove Heights, Dakota</a>	20,354	NA	19,779	NA	575	2.8%
	<a href="#">Lakeville, Dakota</a>	31,908	NA	31,055	NA	853	2.7%
 	<a href="#">Minneapolis-St. Paul-Bloomington, MN-WI MetroSA</a>	1,883,063	NA	1,826,661	NA	56,402	3%

- **Unemployment for Dakota County and its major cities now below 3%**

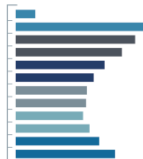
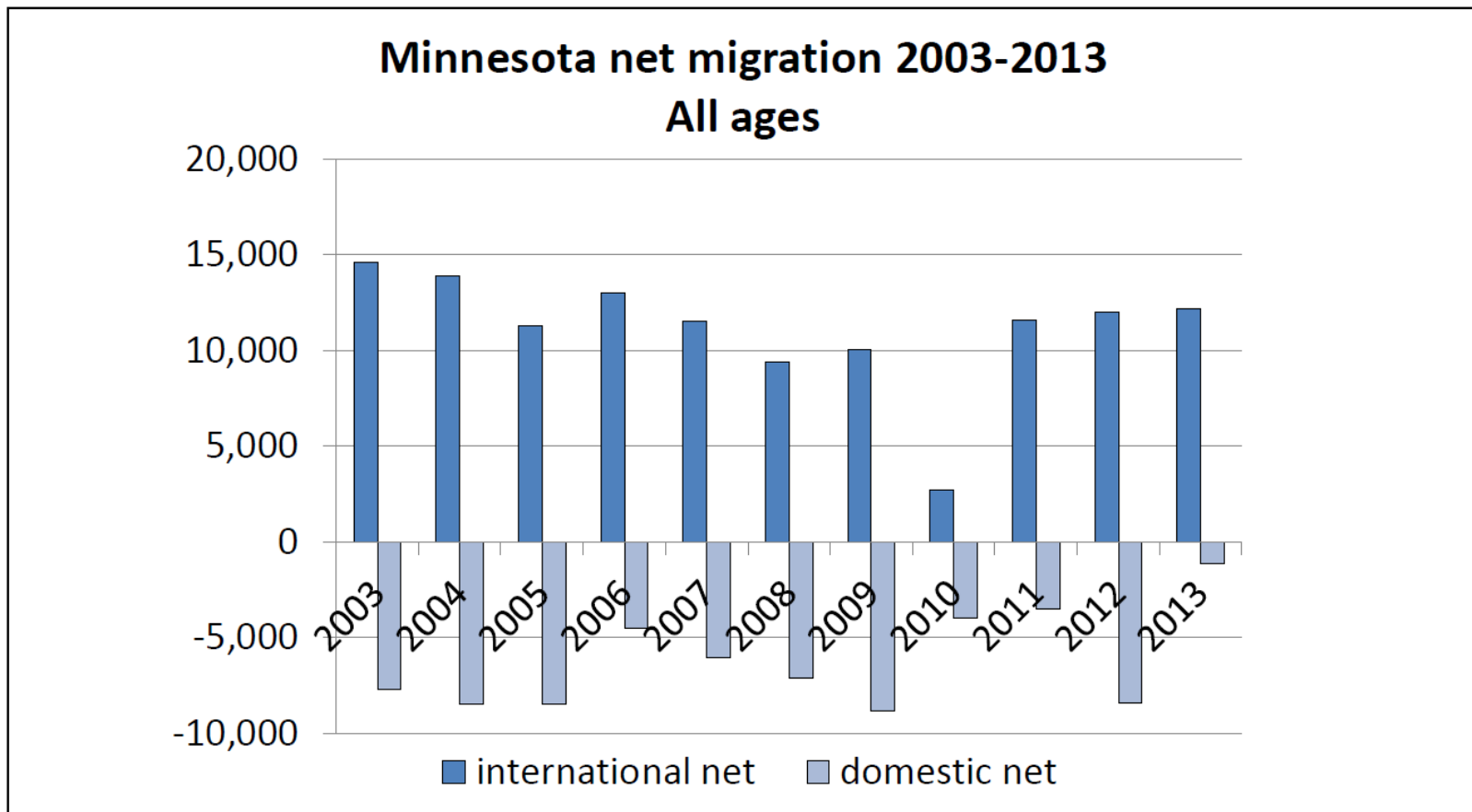


# Migration trends





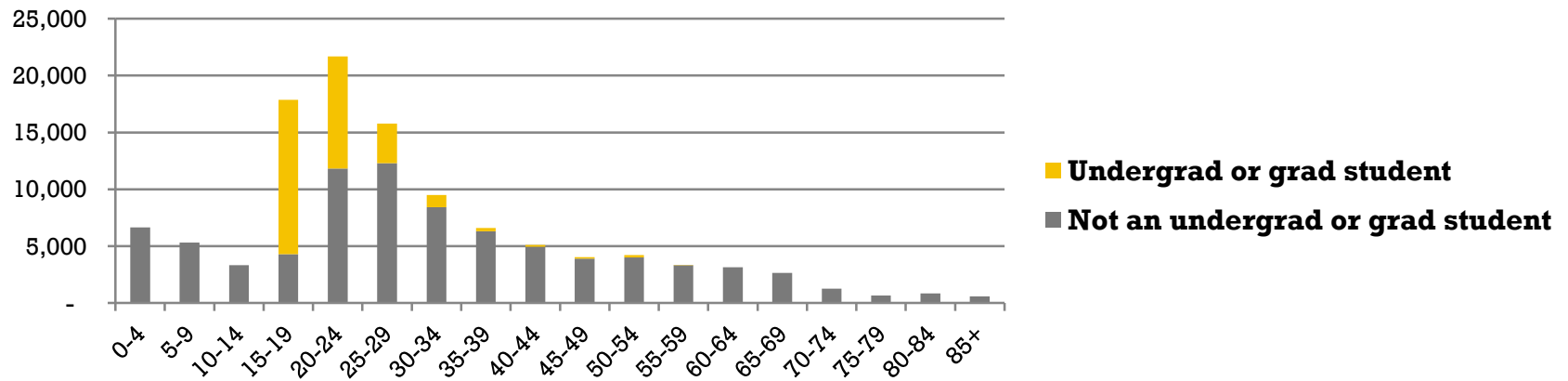
# MN domestic migration has been negative every year of past decade



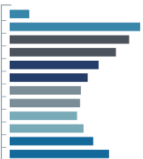


# About 113,000 people leave MN each year for other states

**Annual leavers from Minnesota, by age group and student status, 2008-2012**

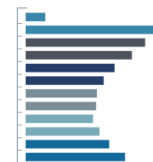
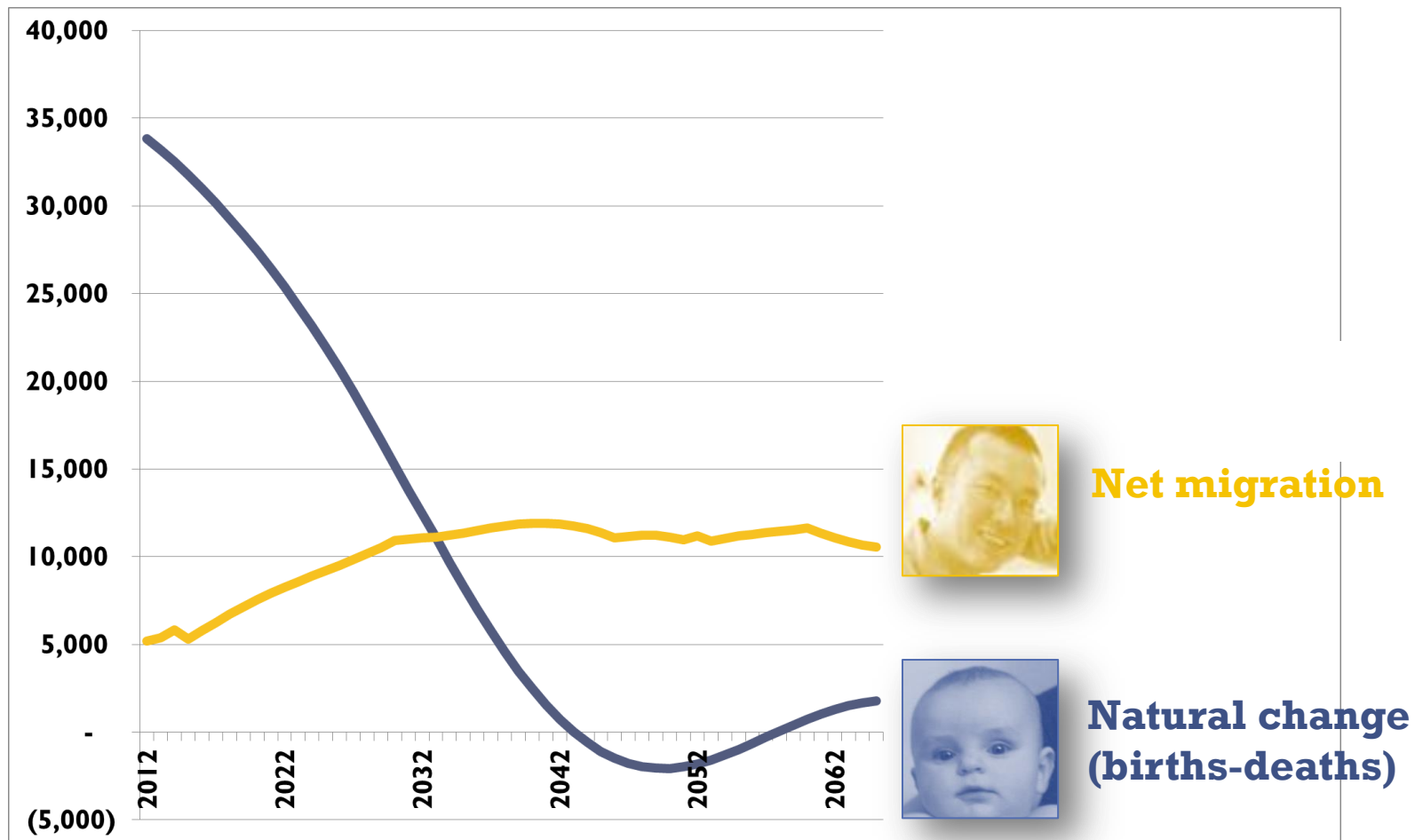


■ Only about 101,000 arrive from other states, resulting in domestic losses



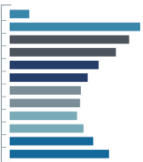


# Net migration will become the major driver of our state's growth



# + Take-away thoughts for those contemplating these trends

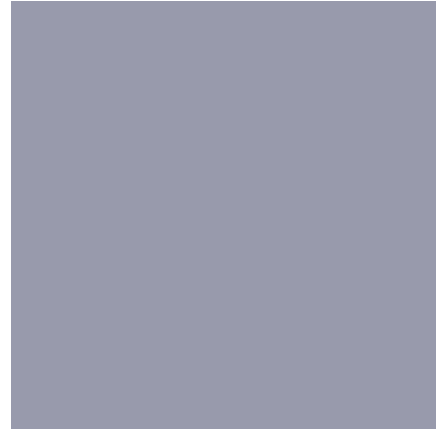
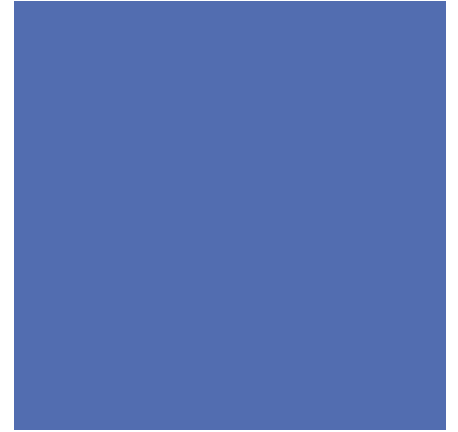
- All areas of the state will feel effects of an aging population, some places much more acutely. The **aging of our state** will create fierce debates about where to spend scarce public dollars.
- Fewer workers relative to older adults puts a premium on **developing, retaining, and attracting skilled workers** — to fuel continued economic growth and to pay for needed public services. **Furthermore, workforce alignment** is critical.
- **A tightening labor force** will benefit workers and create new opportunities for those currently unemployed or outside of the labor force, but will increasingly place strain on employers
- **Job growth** is MN anticipated in both “high-wage, high-skill” and “low-wage, low-skill” occupations.
- **Poor educational, health and economic outcomes** for our fast-growing populations of color jeopardize our economic competitiveness and quality of life for all.





Questions?  
Comments?

**Thank you!**



**Andi Egbert**

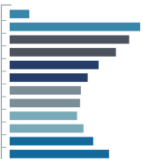
[andi.egbert@state.mn.us](mailto:andi.egbert@state.mn.us)



# MN State Demographic Center online resources

**Explore our website at  
[mn.gov/demography](http://mn.gov/demography)**

- Locate more data, more efficiently
- New interactive maps and data visualizations
- Featuring a new blog, guidance for data users, and more
- Follow us on Twitter at **@MN\_StateData**



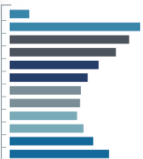




# Our Projections Page: [mn.gov/demography/projections](https://mn.gov/demography/projections)

- Find state, county and Economic Development Region projections to 2045, by age and gender
- Explore population pyramids for all counties through 2045

The screenshot displays the Minnesota State Demographic Center website. The header features the organization's name and a search bar. A navigation menu includes links for About, Data by Topic, Data by Place, Map & Viz Gallery, Reports & Resources, and News. The main content area is titled 'OUR PROJECTIONS' and includes a sidebar with 'DATA BY TOPIC' such as Population Data, Aging, and Births & Fertility. The central text explains that the center produces population projections for Minnesota and its 87 counties, based on historical and emerging patterns in births, deaths, and migration. Below this, there are tabs for 'Key Findings', 'MN Data', 'County & EDR Data', 'FAQ', and 'Other Resources'. The 'County & EDR Data' tab is selected, showing a section titled 'County & EDR Data' which provides information about the data files available for the 87 counties in Minnesota, including projections for the 13 Economic Development Regions (EDRs) and the state as a whole.





Minnesota State Demographic Center

**Website: [mn.gov/demography](http://mn.gov/demography)**

**Twitter: [@MN\\_StateData](https://twitter.com/MN_StateData)**